

Admission of CIRP Applications on the basis of Form D (Record of Default) issued by NeSL- Information Utility

NCLT, Division Bench, Court No. I, Ahmedabad in the CIRP Application filed by M/sRiddhi Siddhi Metals under Section 9 of IBC, 2016 (CP(IB) No.211/AHM/2024), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Aquarius H2O Dynamics Private Limited, vide Order dated 29.11.2024.

In the above-mentioned Order, the Hon’ble members of NCLT have placed reliance on the contents of the Records of Default issued by NeSL-IU in determining **date of default for admitting the application filed under Section 9 of IBC, 2016, read with Rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016, for initiating CIRP.**

The relevant extracts of the Orders of NCLT are as under:

Page 11 - Para 7:

“That the Applicant has placed before us NeSL Form D i.e Record of Default where in the status of the default is stated to be DEEMED TO BE AUTHENTICATED.”

Page 18 – Para 15 (i):

“The Operational Creditor has also filed Form-D, which is the Record of Default with National E-Governance Services Limited (NeSL) in terms of Regulation 20(1A) of IBBI (IU) Regulations, 2017. The date of Default is recorded as 15.01.2023 and the status of authentication is “Deemed to be authenticated”.

Page 18 – Para 16:

“In view of above discussion, the present Petition is complete in terms of Section 9 of the Code. The Operational Creditor has established the Operational Debt being Rs.1,16,40,233/- due towards the Respondent Corporate Debtor. Further, Applicant has also established the default in payment of the operational debt. The outstanding operational debt is of more than rupees one crore which meets the threshold limit as per section 4 of the Code and is well within the limitation for filling the present application. Moreover, the aforesaid default is not covered under the period exempted under Section 10A of IBC, 2016. Accordingly, the Petition filed under section 9 of the Insolvency and Bankruptcy Code for initiation of corporate insolvency resolution process against the Corporate Debtor deserves to be admitted.”