



NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT VI

Item No. P2.

C.P. (IB)/342(MB)2025

CORAM:

SHRI SAMEER KAKAR
HON'BLE MEMBER (TECHNICAL)

SHRI NILESH SHARMA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **16.09.2025**

NAME OF THE PARTIES: **Invent Assets Securitisation &
Reconstruction Pvt. Ltd.**

Vs

Reliance Home Finance Limited

Under Section 7 of the IBC.

ORDER

The case is fixed for pronouncement of the order. The order is pronounced in the open court, *vide* separate order. Detailed order is being uploaded on the NCLT portal today.

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)

Sd/-
NILESH SHARMA
MEMBER (JUDICIAL)



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI - BENCH-VI

CP (IB) No. 342/MB/2025

*[Under Section 7 of the Insolvency and Bankruptcy Code, 2016
r/w Rule 4(1) of the Insolvency and Bankruptcy (Application to
Adjudicating Authority) Rules, 2016]*

In the matter of:

Invent Assets Securitisation &

Reconstruction Pvt. Ltd.,

Bakhtawar, Suite B, Ground Floor,
Backbay Reclamation Scheme Block
III, 229, Nariman Point, Mumbai City,
Mumbai, Maharashtra, India 400021.

...Applicant/Financial Creditor/Petitioner

Vs.

Reliance Home Finance Limited

[CIN: UL67190MH2008PLC183216]

Registered Office: Trade World, Kamala
Mills Compound, 7th Floor, B Wing, Senapati
Marg, Lower Parel (West). Delisle Road,
Mumbai 400013.

...Respondent/Corporate Debtor

Pronounced On: 16.09.2025.

CORAM:

SHRI NILESH SHARMA, MEMBER (JUDICIAL).

SHRI SAMEER KAKAR, MEMBER (TECHNICAL).

Hearing: Physical.

Appearances:

Financial Creditor: Adv. Mr. Amir Arsiwala i/b Adv. Ms. Mithila Damle



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

Corporate Debtor: Adv. Mr. Pranav Shah

ORDER

[PER: CORAM]

1. This is an petition filed on 17.01.2025 by the Applicant- Invent Assets Securitisation & Reconstruction Private Limited (hereinafter also referred to as the “Financial Creditor” or “Petitioner”), against the Respondent- Reliance Home Finance Limited (hereinafter also referred to as the “Corporate Debtor”), under Section 7 of the Insolvency & Bankruptcy Code 2016 (in short, ‘the Code’) r/w Rule 4(1) of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, seeking commencement of the Corporate Insolvency Resolution Process (‘CIRP’) of the Corporate Debtor, appointment of Interim Resolution Professional (‘IRP) and declaration of moratorium. The amount claimed to be in default is INR 7,80,98,017/- including outstanding interest of INR 80,98,017/-.
2. From Part-I of Form 1, it is seen that the present application is filed by Invent Assets Securitisation & Reconstruction Private Limited and the person authorised by the Board Resolution dated 13.12.2024, passed by the Corporate Debtor, to submit this application on its behalf, is one Ms. Priti Lothey.
3. Part II of the application in Form 1 reveals that the Respondent/Corporate Debtor i.e. Reliance Home Finance Limited, is a public limited company having its registered office at Trade World, Kamala Mills Compound. 7th Floor, B Wing, Senapati Bapat Marg, Lower Parel (West) Delisle Road, Mumbai, Maharashtra. India 400013.
4. Part-III of Form 1, reveals that the Applicant has proposed the name of Mr. Umesh Balaram Sonkar to be appointed as the IRP of the Corporate Debtor in the event that



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

this petition gets admitted. The Applicant has also obtained the Written Consent from the proposed IRP above-named in Form 2, the copy of which is annexed to this application as Annexure 2(a).

5. Part IV of the Application vide Form 1 reveals that the amount claimed to be in default by the Applicant/Financial Creditor is Rs. 7,80,98,017/- which is inclusive of total outstanding interest of INR 80,98,017/-.
6. The date of default stated by the Applicant in Part IV of the application is 04.12.2024 as amended.
7. The facts by the Applicant in Part IV of the Application are stated hereinbelow:
 - i. It is submitted that the Corporate Debtor availed financial assistance from Reliance Commercial Finance Limited ("RCFL") pursuant to an Inter Corporate Loan Facility Agreement dated 01.04.2023, for a sum not exceeding Rs. 9,50,00,000/- as per the terms and conditions stated therein.
 - ii. As per the terms of the Agreement, the Corporate Debtor was liable to repay the said Inter Corporate Loan within a period of 15 months, i.e., on or before 30.06.2024, along with simple interest at the rate of 10% per annum.
 - iii. In accordance with the terms of Agreement, RCFL disbursed a total sum of Rs. 4,85,00,000/- to Corporate Debtor between 03.05.2023 and 29.03.2024, in the manner detailed hereinbelow:

Disbursement Date	Amount (in Rs.)
03.05.2023	3,00,00,000



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

02.08.2023	1,00,00,000
28.11.2023	50,00,000
16.02.2024	25,00,000
29.03.2024	10,00,000
Total	4,85,00,000

- iv. It is submitted that on 10.05.2024, this Tribunal approved a Scheme of Arrangement for the demerger of the lending business of RCFL into Authum Investment and Infrastructure Limited ("Authum'). Accordingly, upon passing of the said Order, the lending business of RCFL stood demerged into/ transferred to Authum. Further, in consequence of the said demerger and transfer of the lending business, Authum Investment and Infrastructure Limited stepped into the shoes of RCFL and became the lender to the Corporate Debtor. The aforesaid facts were communicated to the Corporate Debtor vide letter dated 10.06.2024 issued by Authum.
- v. Accordingly, Authum Investment & Infrastructure Limited disbursed a total sum of Rs. 2,15,00,000/- to Corporate Debtor between 28.05.2024 and 08.11.2024, in the manner detailed hereinbelow:

Disbursement Date	Amount (in Rs.)
28.05.2024	10,00,000
27.06.2024	10,00,000



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

18.07.2024	1,37,00,000
22.07.2024	10,00,000
23.07.2024	30,00,000
08.11.2024	18,00,000
Total	2,15,00,000

- vi. The Applicant has in its Additional Affidavit dated 22.08.2025 stated that up to 31.03.2024, an amount of Rs. 4.85 crores was disbursed out of total sanctioned amount of Rs. 9.50 crores. The Applicant further states that the due date for payment of loan was 15 months from the first disbursement i.e. 30.06.2024, however, as on the said date there were unutilized credit facilities of Rs. 4.65 crores out of which Rs. 2.15 crores were further disbursed to the CD between 28.05.2024 till 08.11.2024. The CD, however, did not make any payment and therefore the Applicant was forced to issue Recall Notice dated 04.12.2024 asking the CD to make the payment forthwith, which was defaulted by the CD. The Applicant has therefore, taken 04.12.2024 i.e. the date by which CD was asked to make payment, which it defaulted and therefore, the date of default is taken as 04.12.2024.
- vii. It is further submitted that the Corporate Debtor vide Balance Confirmation Letters dated 31.03.2024, 30.09.2024 and 30.11.2024 acknowledged the outstanding dues under the Agreement.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

- viii. It is pertinent to note that the aforesaid debt stands admitted by the Corporate Debtor in its balance sheet as on 31.03.2024, under the head “Borrowings (Other than Debt Securities)” which is at page no. 120 of the Application.
- ix. It is submitted that, whilst the matters stood thus, Authum Investment and Infrastructure Limited, vide Assignment Agreement dated 04.12.2024, assigned all its rights, title, and interest in the Agreement in favour of the Financial Creditor. Accordingly, the Financial Creditor stepped into the shoes of Authum and became the Financial Creditor of the Corporate Debtor. The Assignment agreement is attached at page no. 138 of the Application.
- x. It is submitted that the Financial Creditor vide letter dated 04.12.2024 duly communicated the fact of assignment to the Corporate Debtor and called upon the Corporate Debtor to forthwith make payment of Rs. 7.81 crores being the amount outstanding as on 03.12.2024 under the Agreement.
- xi. It is further submitted that, vide the said notice dated 04.12.2024, the Financial Creditor also intimated the Corporate Debtor that, on account of its failure to repay the outstanding dues, the account of the Corporate Debtor had been classified as a Non-Performing Asset (NPA) on 29.09.2024.
- xii. The Corporate Debtor vide its reply dated 10.12.2024, responded to the notice dated 04.12.2024 and requested the Financial Creditor to grant an extension of one year for repayment of the outstanding dues. However, the said request was not accepted by the Financial Creditor. The Corporate Debtor thereafter failed to take any further steps towards repayment of the outstanding dues. Being



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

aggrieved by the continued default, the Financial Creditor was constrained to initiate the present proceedings.

- xiii. In the given circumstances set out hereinabove, the Corporate Debtor failed to repay the financial debt owed to the Financial Creditor. After failing to pay the outstanding amount with interest as agreed, the Corporate Debtor rendered itself liable for Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.
- xiv. Hence this petition.

8. Applicant has attached following documents with the Application:

- I. A copy of the master data of the Financial Creditor.
- II. A copy of the Board Resolution.
- III. A copy of the Inter Corporate Loan Facility Agreement dated 01.04.2023.
- IV. A copy of RCFL Bank statements evidencing the disbursement of Rs. 4,85,00,000/-.
- V. A copy of the order dated 10.05.2024 passed by this Tribunal approving the Scheme of Arrangement.
- VI. A copy of the letter dated 10.06.2024
- VII. Bank statements evidencing disbursement of an amount of Rs. 2,15,00,000/-.
- VIII. A copy of Balance Confirmation Letters.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

- IX. Balance Sheet of the Corporate Debtor.
 - X. Assignment Agreement.
 - XI. A copy of the notice dated 04.12.2024.
 - XII. A copy of the reply dated 10.12.2024 by the Corporate Debtor.
 - XIII. The computation of claim of the Financial Creditor.
 - XIV. A copy of the NESL report.
9. At the hearing held on 27.06.2025, this Bench after hearing both the parties, reserved the matter for orders.

Clarification sought from the Applicant and Additional Affidavit along with amended Form 1 dated 22.08.2025 filed by the Applicant in compliance:

10. This matter was put for clarification on 08.08.2025 to cure the defects as stated below:

“Perusal of the application reveals that the date of default is mentioned in part IV of form 1 as 30.06.2024 and on Perusal of the form 4 reveals that certain disbursements were made post the date of default, which aggregate to Rs. 1,95,00,000/-.

Record of default dated 15.01.2025 issued by NeSL records the date of default as 29.09.2024. It is seen that some of the disbursements were even post this date.”

11. In compliance of the said order, the Applicant filed an additional affidavit dated 22.08.2025 along with which amended Form 1 was attached. In the revised Form 1 the date of default was amended to 04.12.2024. An updated copy of the revised NeSL Form C and Form D mentioning the date of default as 04.12.2024 has also been filed



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

by the Applicant via additional affidavit on 22.08.2025. The contents of the said Affidavit are as below:

"I, Prithi Lothey, an adult, Indian inhabitant and the authorised representative of the Financial Creditor abovenamed and having my office at Bhaktawar, Suite B, Ground Floor, Backbay Reclamation Scheme Block III, 229, Nariman Point, Mumbai City, Mumbai, Maharashtra, India - 400 021, do hereby solemnly affirm on oath and state as under.

1. I am the Authorised Representative of the Financial Creditor abovenamed and am duly authorised to file the present Affidavit by a Board Resolution dated December 13, 2024, passed by the Financial Creditor in my favour, a copy of which is at Annexure A to the Company Petition.

2. That the above Company Petition (IB) No. 342(MB)/2025 was filed by the Applicant under Section 7 of the Insolvency and Bankruptcy Code, 2016, against the Respondent, Reliance Home Finance Limited.

3. The Company Petition was listed for Clarification on August 08, 2025, wherein the Learned Members noticed the inconsistency regarding the date of default and the disbursements made post-default which are as follows:

i. That in Part IV of Form 1 of the Application, the date of default was mentioned as 30.06.2024.

ii. That subsequently, on perusal of records, it is seen that certain disbursements were made post the date of default, aggregating to 21,95,00,000/- (Rupees One Crore Ninety-Five Lakhs only).

iii. That further, the Record of Default dated 15.01.2025 issued by NeSL reflects the date of default as 29.09.2024. Some of the disbursements also occurred after this date.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

iv. That Hon'ble Tribunal has directed the applicant to file additional affidavit to clarify the above position after serving the same on the opposite side:

4. That, the total credit facility to the Corporate Debtor vide Sanction letter Dated 01.04.2023 were Rs. 9,50,00,000/-(Rupees Nine Crore Fifty Lakhs Only). Out of the total facility sanctioned to the Corporate Debtor Rs. 4,85,00,000/- (Rupees Four Crore Eighty-Five Lakhs) were disbursed before 31st March 2024. The Due date for the Loan was 15 months from the first disbursement i.e. 30* June 2024. As on 30* June 2024, there were unutilized credit facilities of Rs. 4,65,00,000/- (Rupees Four Crore Sixty-Five Lakhs only) out of which on request of the Corporate debtor and under the belief that the Corporate Debtor will pay the amount due as on 30* June 2024 before it becomes overdue, the applicant has released Rs. 1,95,00,000/- (Rupees One Crore Ninety-Five Lakhs only) up to 28th November 2024. The said disbursements were released under the bona fide belief that, although the Corporate Debtor had defaulted in payment of the instalment due, the same was not overdue and would be paid within the prescribed time as a continuation of the existing facilities. When after various follow ups and efforts the Corporate Debtor has not paid the instalments due on 30th June 2024, the Applicant has issued letter on 04th December 2024 to recall the full facility and for immediate payment of all money due from the Corporate Debtor.

5. That Considering the overall position of disbursement of part of the pre-sanctioned facility to the Corporate Debtor after 30th June 2024, we hereby request the Hon'ble bench to consider the Date of Default as 04th December 2024. The revised Form C filled with NeSL for the updated Date of Default is attached herewith as Annexure B along with the updated Form 4 mentioning the updated date of Default as 04th December 2024 which is attached herewith as Annexure C.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

6. That this affidavit is filed in compliance with the direction contained in the Hon'ble Tribunal's Order dated 08.08.2025, and a copy hereof has been duly served upon the Respondent.

Prayer

In view of the above, the Applicant respectfully prays that this Hon'ble Tribunal may be pleased to:

- I. Take this Additional Affidavit on record;
 - II. Consider the clarifications provided herein with respect to the date of default and subsequent disbursements; and
 - III. Pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the interest of justice.”
12. The matter was thereafter again considered by this Bench on 04.09.2025 and after taking the additional affidavit on record, the matter was reserved for order again. The order dated 04.09.2025, further records that the additional affidavit was served upon the Respondent, which was confirmed by the Ld. Counsel appearing on behalf of the Respondent. At the said hearing, the Ld. Counsel for the Respondent stated that he did not want to file any reply to the additional affidavit.
13. **Reply Affidavit dated 30.04.2025** the main Application was filed and affirmed by one Mr. Yesudas Poll, the Authorised Representative of the Corporate Debtor. The above-named person is authorised by a board resolution passed at the meeting of the board of directors of the Corporate Debtor held on 26.04.2024. The contents of the aforesaid Affidavit are summarised hereinbelow:



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

- i. In reply, the Corporate Debtor has denied allegations made by the Petitioner seeking the initiation of the Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016, alleging non-payment of financial debts. The Corporate Debtor asserts that the petition is misconceived, legally untenable and deserves to be dismissed.
- ii. It is submitted by the Respondent that Reliance Commercial Finance Limited (“RCFL”) had extended an inter-corporate loan facility to the Corporate Debtor under an Agreement dated 01.04.2024, for a sanctioned amount of Rs. 9,60,00,000/- repayable on or before 30.06.2024, along with interest at the rate of 10% per annum. In furtherance thereof, RCFL disbursed an aggregate sum of Rs. 4,85,00,000/- to the Corporate Debtor between 03.05.2023 and 29.03.2024.
- iii. It is further submitted that, vide order dated 05.05.2024 passed by this Tribunal, a Scheme of Arrangement was approved, whereby the lending business of RCFL stood demerged and vested in Authum Investment and Infrastructure Limited (“Authum”). The said demerger and transfer were duly communicated to the Corporate Debtor by Authum vide letter dated 10.06.2024.
- iv. Pursuant to the aforesaid demerger, Authum continued to disburse funds to the Corporate Debtor under the same financial arrangement and, in this regard, disbursed an additional sum of Rs. 2,15,00,000/- between 28.05.2024 and 08.11.2024. Accordingly, the total amount disbursed to the Corporate Debtor under the said facility stands at Rs. 7,00,00,000/-, these disbursements made by Authum post-demerger demonstrate the continuity and validity of the commercial relationship between the parties.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

- v. The Corporate Debtor, vide its letter dated 10.12.2024, requested the Financial Creditor to grant an extension of one year for repayment of the outstanding dues, citing prevailing financial constraints. The request was made in good faith to preserve the commercial relationship. However, the Financial Creditor, without affording any meaningful opportunity for dialogue or settlement, initiated proceedings under Section 7 of the Code.
- vi. The Financial Creditor, having acquired the debt shortly before filing and without prior commercial dealings with the Corporate Debtor, cannot misuse the Code as a tool of coercion. The mala fide intent is evident from the sequence of events.
- vii. It is submitted that the Company is actively exploring new business opportunities and taking steps towards revival to honour its contractual obligations. The present petition has caused unwarranted reputational and commercial harm and is devoid of merit, premature and falls within the category of cases repeatedly cautioned against by the Hon'ble Supreme Court and this Tribunal.
- viii. In light of the above submissions, the Corporate Debtor prays for dismissal of the instant petition.
- ix. As stated earlier, that the Respondent has chosen not to file any reply to the additional affidavit dated 22.08.2025 which is recorded in order dated 04.09.2025.

ANALYSIS AND FINDINGS

- 14. We have heard the learned Counsel for the Petitioner and the learned Counsel for the Respondent. We have perused the materials and documents placed by both the parties on record of this Tribunal. Written submissions by the Petitioner and Respondent have been placed on record.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

15. A perusal of the Inter Corporate Loan facility Agreement dated 01.04.2023, which was executed between the Reliance Home Finance Limited and Reliance Commercial Finance Limited herein, reveals that the Corporate Debtor agreed to borrow a loan of Rs. 9,50,00,000/- from the Applicant for a period of 15 (fifteen) months at the rate of 10% p.a. simple interest to be paid on the date of maturity i.e. 30.06.2024. The Bank Account Statement annexed at Annexure I(E) to the petition reflects that a sum of Rs. 4,85,00,000/- was disbursed to the Corporate Debtor from the bank account of the Reliance Commercial Finance Limited. Thereafter, following the Scheme of Arrangement sanctioned by this Tribunal on 10.05.2024, the lending business of RCFL was demerged and transferred to Authum Investment and Infrastructure Limited ("Authum"), which stepped into the shoes of RCFL as a lender.
16. Authum, in continuation of the same financial facility, further disbursed ₹2,15,00,000/- between 28.05.2024 and 08.11.2024. Thus, the total disbursement under the said facility stands at ₹7,00,00,000/-, which qualifies as a "financial debt" under Section 5(8) of the Code.
17. The Corporate Debtor has acknowledged the outstanding debt through balance confirmation letters dated 31.03.2024, 30.09.2024, and 30.11.2024, and the same is also reflected in its audited Balance Sheet as on 31.03.2024 under the head "Borrowings (Other than Debt Securities)".
18. The balance sheet of the Corporate Debtor as on 31.03.2024, reflects the debt under the head of Borrowings (other than debt securities), thereby evidencing acknowledgement of liability towards the Applicant. The entry of Rs. 4,85,00,000/- in the books of accounts of the Corporate Debtor establishes the existence of a financial debt and proves that the Corporate Debtor failed to repay the debt to the Applicant.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

The CD in para 3 and 4 of its reply dated 30.04.2025 has acknowledged the dues payable to the Applicant. The said paragraphs are reproduced hereunder:

“3. It is an admitted position that Reliance Commercial Finance Limited (“RCFL”) extended an inter-corporate loan facility to the Corporate Debtor under an Agreement dated April 01,2024, for a sanctioned amount of Rs. 9,60,00,000/- (Rupees Nine Crore Sixty Lakh Only), repayable on or before June 30,2024, along with interest at 10% per annum. Pursuant thereto, RCFL disbursed an aggregate amount of Rs. 4,85,00,000/- (Rupees Four Crore Eighty-Five Lakh) between May 03,2023, and March 29, 2024. It is also not in dispute that vide order dated May 05, 2024, passed by this Hon’ble Tribunal, a Scheme of Arrangement was approved whereby the lending business of RCFL stood demerged and transferred to Authum Investment & Infrastructure Limited (“Authum”). This transfer of the lending business was formally communicated to the Corporate Debtor by Authum vide letter dated June 10, 2024.

4. Following the said demerger, Authum continued disbursing funds under the same financial arrangement, and disbursed an additional Rs. 2,15,00,000/- (Rupees Two Crore Fifteen Lakh Only) between May 28, 2024 and November 08, 2024. As such, the total amount disbursed to the Corporate Debtor under the facility stands at Rs. 7,00,00,000/- (Rupees Seven Crore Only). Notably, these disbursements were made by Authum even after the demerger, indicating the continuity and validity of the commercial relationship between the parties.”

19. Thus, in our considered view, the factum of existence of debt upon the Corporate Debtor stand established on record.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

20. As per the Applicant, the original due date for payment of the dues was 30.06.2024 (15 months after the first disbursement), however, out of total sanctioned facilities of Rs. 9,50,00,000/-, only Rs. 4.85 crores were disbursed before 31.03.2024 and there were unutilized credit facilities of Rs. 4.65 crores. Though till 30.06.2024, no repayments were made by the CD and that the Applicant made further disbursements of Rs. 2.15 crores during the period of 28.05.2024 till 29.03.2024 under the belief that the CD will repay the dues. However, as the CD did not make any payments to the Applicant, Applicant on 04.12.2024 issued Recall Notice dated 04.12.2024 asking the CD to make the entire payment forthwith. As the CD failed to make payment of the dues demanded on 04.12.2024, the said date of 04.12.2024 has been considered as the date of default in the revised Form 1.
21. Since the present petition was filed on 17.01.2025 which is within three years from the date of default, it is held to be not barred by the law of limitation as prescribed under Article 137 of the Schedule to the Limitation Act, 1963.
22. The debt was subsequently assigned by Authum to the present Financial Creditor vide Assignment Agreement dated 04.12.2024. The Financial Creditor issued a demand notice dated 04.12.2024, calling upon the Corporate Debtor to repay the outstanding amount of Rs. 7.81 crores as on 03.12.2024. The account of the Corporate Debtor was classified as a Non-Performing Asset (NPA) on 29.09.2024 based on the technical default on 30.06.2024, however, as the debt was finally defaulted after recall of the loan vide notice dated 04.12.2024, the date of default is taken as 04.12.2024 as the CD failed to make payment of the amount demanded on 04.12.2024.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

23. The Corporate Debtor, in its reply dated 10.12.2024, did not deny the debt or its liability but merely sought an extension of one year for repayment due to financial constraints. No repayment has been made thereafter, and the default remains subsisting.
24. The defences raised by the Corporate Debtor, including that the repayment period had not matured at the time of filing, is untenable as the Financial Creditor did not agree with the 1-year extension for repayment.
25. As per part IV of the Application, the date of default is 04.12.2024.
26. Record of Default: The Petitioner has placed on record the Form D (Record of Default) issued by National E-Governance Services Limited ('NeSL') dated 15.01.2025 which shows Default Amount as Rs. 7,80,98,017/- and date of default as 04.12.2024. The Record of Default dated 15.01.2025 issued by NeSL is annexed as Annexure B in Additional Affidavit, which is "deemed to be authenticated" and no dispute or refutation of the said record has been done by the Corporate Debtor.
27. The debt is evidenced by loan documents, disbursement records, acknowledgments by the Corporate Debtor, and financial statements. The existence of debt and default is not in dispute. We come to inescapable conclusion that the Petitioner has established the debt and default which is more than Rs. 1 crore prescribed u/s 4 of IBC.
28. Further, the Corporate Debtor's plea regarding malafide intent and commercial misuse of the Code by the Financial Creditor is not supported by any evidence. The petition satisfies the statutory requirements under Section 7(1) read with Section 3(12) and Section 5(8) of the Code.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

29. It is well-settled position that the Adjudicating Authority has to determine whether there is debt and default and if it is satisfied that a default has occurred, then the petition under Section 7 of the Code must be admitted unless it lacks other necessities as mandated thereunder. We are supported by the decision of Hon'ble Supreme Court in its landmark judgment in M/s. **Innoventive Industries Ltd. v. ICICI Bank & Anr.** (Judgment dated August 31, 2017 in Civil Appeal Nos. 8337-8338 of 2017) has held as follows:

*“28. When it comes to a financial creditor triggering the process, Section 7 becomes relevant.It is at the stage of Section 7(5), where the adjudicating authority is to be satisfied that a default has occurred, that the corporate debtor is entitled to point out that a default has not occurred in the sense that the “debt”, which may also include a disputed claim, is not due. A debt may not be due if it is not payable in law or in fact. **The moment the adjudicating authority is satisfied that a default has occurred, the application must be admitted unless it is incomplete**, in which case it may give notice to the applicant to rectify the defect within 7 days of receipt of a notice from the adjudicating authority. Under sub-section (7), the adjudicating authority shall then communicate the order passed to the financial creditor and corporate debtor within 7 days of admission or rejection of such application, as the case may be. (Emphasis Supplied)*

30. On the other hand, as we have seen, in the case of a corporate debtor who commits a default of a financial debt, the adjudicating authority has merely to see the records of the information utility or other evidence produced by the financial creditor to satisfy itself that a default has occurred. It is of no matter that the debt is disputed so long as the debt is “due” i.e. payable unless interdicted by some law or has not yet become due in the sense that it is payable at some future date. It is only when this is proved to the satisfaction of the adjudicating authority that the adjudicating authority may reject an application and not otherwise.”



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

30. In view of the foregoing findings, discussions and analysis, we are satisfied that the Corporate Debtor has committed a default in repayment of debt exceeding Rupees One Crore which is due and payable to the Financial Creditor. We also hold that Application is complete as the required information and details have been included in/attached with Application and Additional Affidavit. The Applicant has proposed one IRP and as per his consent, there are no disciplinary proceedings pending against him. Hence, as per the law laid down by the Hon'ble Apex Court in Innoventive Industries Ltd case (supra), we are left with no choice but to admit this application u/s 7(5)(a) of the Code. Accordingly, we pass the following orders:

ORDER

- i. The Corporate Debtor- Reliance Home Finance Limited [CIN: UL67190MH2008PLC183216], is admitted into the Corporate Insolvency Resolution Process under Section 7(5)(a) of the Code.
- ii. As a consequence thereof, moratorium under Section 14 of Insolvency and Bankruptcy Code, 2016 is declared for prohibiting all of the following in terms of Section 14(1) of the Code:
 - a. The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
 - b. transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

- c. any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
 - d. the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor;
 - e. The provisions of sub-section (1) shall however, not apply to such transactions, agreements as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to the Corporate Debtor.
- iii. The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33 of the IBC, 2016, as the case may be.
 - iv. It is further directed that the supply of essential goods/services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period as per provisions of sub-sections (2) and (2A) of Section 14 of IBC, 2016.
 - v. We hereby appoint **Mr. Umesh Balaram Sonkar**, an Insolvency Professional having (Email: rosonkar1603@gmail.com) registration no. **IBBI/IPA-001/IP-P-**



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

02619/2021-2022/14043, as the Interim Resolution Professional ('IRP') of the Corporate Debtor.

- vi. The Financial Creditor is directed to pay an advance of **Rs. 2,00,000/-** (Rupees Two Lakhs Only) to the above-named IRP within a period of 7 days from the date of this order **to meet the cost of CIRP** arising out of issuing public notice and inviting claims etc. till the CoC decides about his fees/expenses.
- vii. The IRP shall perform all his functions as contemplated, inter-alia, under Sections 17, 18, 20 & 21 of the IBC, 2016. It is further made clear that all personnel connected with the Corporate Debtor, its Promoters or any other person associated with the management of the Corporate Debtor are under legal obligation under section 19 of the IBC, 2016 for extending assistance and co-operation to the IRP. Where any personnel of the Corporate Debtor, its Promoter or any other person required to assist or co-operate with IRP, do not assist or co-operate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.
- viii. This Adjudicating Authority directs the IRP to make a public announcement for the initiation of CIRP and call for the submission of claims under Section 15, as required by section 13(1)(b) of the IBC, 2016.
- ix. The IRP is expected to take full charge of the Corporate Debtor's assets, and documents without any delay whatsoever.
- x. The IRP or the RP, as the case may be, shall submit to this Adjudicating Authority periodical reports with regard to the progress of the CIRP in respect of the Corporate Debtor.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH, COURT VI

- xi. The IRP shall be under duty to protect and preserve the value of the property of the Corporate Debtor and manage the operations of the Corporate Debtor as a going concern, to the extent possible, as a part of obligation imposed by Section 20 of the IBC, 2016.
- xii. The Registry is directed to communicate a copy of this order to the Financial Creditor, Corporate Debtor and to the IRP and the concerned Registrar of Companies, after completion of necessary formalities, within seven working days and upload the same on the website immediately after the pronouncement of the order. The Registrar of Companies shall update its website by updating the Master Data of the Corporate Debtor in MCA portal specifically mentioning regarding admission of this Application and shall forward the compliance report to the Registrar, NCLT.
- xiii. The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.
- xiv. **Accordingly, CP (IB)/342 (MB)2025 stands admitted.** A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)

//C.S. LRA//

Sd/-
NILESH SHARMA
MEMBER (JUDICIAL)