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

NCLT, Mumbai Bench, Court-VI, in the CIRP Application filed by Canara Bank under Section 7 of IBC, 2016 (C.P.(IB)/121(MB)2025), has admitted the application for initiation of Corporate Insolvency Resolution Process against the Corporate Debtor M/s Rajdeep Buildcon Private Limited, vide Order dated 04.06.2025.

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 **default,** for admitting the application filed under Section 7 of IBC, 2016, read with Rule 4 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 15 - Para 5.9:
"Further, the default on the part of the CD is also evident from the NeSL records placed by the Applicant, as it is duly authenticated………"

Page 15 – Para 5.10:
*"At this juncture, we would like to refer to the judgement of the Hon'ble Supreme Court in the case of **Innoventive Industries Limited v. ICICI Bank Limited,** which discussed extensively the scope of the powers of the Adjudicating Authority under Section 7 of the IBC and has held that the same is limited to assessing the records provided by the financial creditor to satisfy itself that the default has occurred. The relevant portion of the said Judgment is reproduced below:*

> *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."*

Page 6 – Para 15
*"In view of the aforesaid findings, this Application bearing C.P. (IB) 121/MB/2025 filed under Section 7 of IBC, 2016 by Canara Bank, the Applicant (FC) for initiating CIRP in respect of Rajdeep Buildcon Private Limited, the CD, is **admitted.**"*