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

NCLT, Mumbai Bench, in the CIRP Application filed by Central Bank of India under Section 7 of IBC, 2016 (C.P.(IB)No. 569/MB/2024) has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s N. Kumar Projects & Infrastructure Private Ltd vide order dated 12.02.2026.

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 9 - Para 6.5:
".. it is relevant to consider sub-sections (3) and (4) of Section 7 of the Code, which reads as under: …(3) The financial creditor shall, along with the application furnish –
(a) record of the default recorded with the information utility or such other record or evidence of default as may be specified;…
(4) The Adjudicating Authority shall, within fourteen days of the receipt of the application under sub-section (2), ascertain the existence of a default from the records of an information utility or on the basis of other evidence furnished by the financial creditor under sub-section (3)…..The above provisions indicate that the documents to be annexed with the application are intended solely to enable the Adjudicating Authority to ascertain the existence of a default. In the present case, the Applicant has produced a record of default issued by the Information Utility.."

Page 17 - Para 6.9:
"..the Applicant has produced a record of default issued by the Information Utility. The correspondence on record demonstrates admission of liability.."

Page 17 - Para 6.10:
"The Hon'ble Supreme Court in Innoventive Industries Limited Vs. ICICI Bank and Anr. [(2017) ibclaw.in 02 SC], has explained the scope of Section 7, holding that 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. In the case of a corporate debtor who commits a default of a financial debt, the Adjudicating Authority has to merely see the records of the Information Utility or other evidence produced by the financial creditor to satisfy itself that a default has occurred…"

Page 18 - Para 6.11:
"..In view of the foregoing discussions, we hold that the debt and default have been satisfactorily established from the records and pleadings…"

Page 18 - Order:
"In view of the above discussions and findings, C.P. No. (IB) 569/MB/2024 is hereby admitted, and the initiation of the Corporate Insolvency Resolution Process is ordered in respect of N. Kumar Projects & Infrastructure Private Limited, viz., the CD herein.."