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 M/s Drip Capital Inc under Section 7 of IBC, 2016 (C.P.(IB)1203/MB/2025) has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Albys Agro Private Limited vide Order dated 20.01.2026.

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, default amount, date of default & threshold limit** 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 7 - Para 4.2:
"The present application is being filed under section 7 of the Insolvency and Bankruptcy Code 2016 for a default of USD 180,057.00 ..approximately equivalent to INR 1,59,83,660/- (One Crore Fifty-Nine Lakh Eighty-Three Thousand Six Hundred and Sixty only) @ USD - INR rate of 88.77 and date of default is 20/05/2025 as per part IV of the application. The evidentiary record placed before us includes NeSL report in Form D, Details of unpaid outstanding, Receivables Purchase Agreement, copies of invoices, Demand Notices and email correspondence of Acknowledgement."

Page 8 - Para 4.4:
"Perusal of the NeSL record of default reveals that the same is in a "deemed to be authenticated" status. The default amount is USD 162431 and the date of default is 06.06.2025 which clearly show that CD is in default for an amount of more than Rupees One Crore with the minor variation in the defaulted amount and the date of default as per application and in NeSL form D which can be ignored as in any case the outstanding default is more than Rs 1 crore and the debt falls within the limitation period."

Page 9 – Para 4.7:
"Further the Hon'ble Supreme Court in the case of ***Innoventive Industries Limited v. ICICI Bank Limited, ..*** *has discussed extensively the scope of the power 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 exceeding the threshold of Rs One Crore 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…."*

Page 12 - Order:
"In view of the aforesaid findings, this Application bearing C.P. (IB) 1203/MB/2025 filed under Section 7 of IBC, 2016, by Drip Capital INC, the Applicant (FC) for initiating CIRP in respect of ***Albys Agro Private Limited*** *having CIN No. U01403GA2010PTC006442 , the CD, is* ***admitted."***