

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

NCLT, Bengaluru Bench in the CIRP Application filed by M/s Embassy Services Private Limited under Section 7 of IBC, 2016 (CP(IB) No.65/BB/2024), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Redwoods Infrastructure Private Limited, vide Order dated 07.04.2025.

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 date of default, limitation period, existence of debt and 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 4 - Para 5:

"The instant petition was filed on 22.09.2023, while the date of default indicated in Part IV, Form No. 1 is 19.05.2023, as per the record of Default ('ROD') issued by NESL. Consequently, the present petition is within the prescribed limitation period. The ROD, which is annexed ..., also specifies that the status of authentication for the default as deemed to be authenticated."

Page 6 – Para 8:

*"Further, the Hon'ble Supreme Court in the case of **Innoventive Industries Ltd. vs. ICICI Bank and Ors.** reported in (2018) 1 SCC 407 has held as under:*

...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.

The Hon'ble Apex Court in the above mentioned judgment has clearly pointed out to the records of the information utility reflecting the existence of a debt and a default to be a corroborative factor. In instant matter also the NeSL has further confirmed the date of default mentioned in Form D, Record of Default and established the existence of the Debt and the default."

Page 8 – Para 12:

"Accordingly, the instant Company Petition bearing CP (IB) No. 65/BB/2024 is admitted ..."