

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

NCLT, New Delhi Bench, Court-III (Special Bench), in the CIRP Application filed by IDBI Trusteeship Services Limited under Section 7 of IBC, 2016 (IB-112(ND)/2025), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Mahagun (India) Private Limited, vide Order dated 05.08.2025.

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 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 12 - Para 4 (xx):

"The Applicant has further placed on record a copy of the Information of default filed with Information Utility (IU), i.e., Record of Default for M/s. Mahagun India Private Limited by way of an affidavit dated 30.04.2025 filed in compliance of the order dated 21.02.2025. It is observed that the status of authentication with respect to the recorded debt and default is reflected as "Deemed to be Authenticated" (Colour Code: Yellow), in accordance with the IU framework. The said Record of Default shows the total outstanding amount of Rs. 400,41,46,990/- and the default amount of Rs. 137,67,03,590/-.

The Record of Default filed by the Applicant constitutes conclusive evidence of the existence of debt and unequivocally establishes that the Corporate Debtor has defaulted in its repayment obligations."

Page 12 – Para 4 (xxi):

"At the stage, it is pertinent to refer to the judgments passed by the Hon'ble Supreme Court reported in (2018) 1 SCC 407, in the case of "Innovative Industries Limited Vs. ICICI Bank" and in the case of "E.S. Krishnamurthy and Others Vs. Bharath Hi-Tech Builders Private Limited" reported in (2022) 3 SCC 161 wherein it has been held that, if the adjudicating Authority is satisfied that there is a debt and default has occurred, the Section 7 application shall be admitted."

Page 12 – Para 5 (Order):

"The Application bearing IB-112(ND)/2025 filed by the Applicant, under Section 7 of the Code read with Rule 4 of the Adjudicating Authority Rules for initiating CIRP against the Respondent is admitted."