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

NCLT, Chandigarh Bench, Court I, in the CIRP Application filed by IDBI Trusteeship Services Limited under Section 7 of IBC, 2016 (C.P.(IB) No. 45/Chd/Hry/2024) has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Vatika Limited vide Order dated 03.02.2026.

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 **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 9:
" The Petitioner has filed Record of Default dated 14.01.2024 issued by National E-Governance Services Limited (NeSL), which independently records non-payment of debt in terms of Sections 7(3)(a) and 7(4) of the Code ..."

Page 13 - Para 10:
*"Once a Petition is filed in accordance with the provisions of the Code and 'debt' and 'default' are established and a qualified Resolution Professional has been proposed, there is very little scope left for the Adjudicating Authority to reject such a Petition based on grounds raised by the Respondent. In this regard, it is relevant to refer to judgments of the Hon'ble Supreme Court in **Innoventive Industries Ltd. v. ICICI Bank,** ... wherein it was held that the moment the Adjudicating Authority is satisfied that there is a debt and 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..."*

Page 21 - Para 17:
"For aforesaid reasons and circumstances and in the light of extant provisions of Code and Rules and Regulations made thereunder and by taking into consideration of settled position of law, we find that that the instant Application/petition has been filed in accordance with extant provisions of Code, wherein the 'debt' and 'default' has been established."

Page 21 – Para 18 - Order:
*"Corporate Debtor- **Vatika Limited** is admitted to the Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code, 2016."*