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

NCLT, Kolkata Bench, Court- II in the CIRP Application filed by Canara Bank under Section 7 of IBC, 2016, Company Petition (IB) No. 22 of 2024, has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s Topline Commodities Pvt. Ltd., vide Order dated 20.08.2024.

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:

Pages 6 & 7 - Para 18 on Analysis and findings

"We find that the debt of Rs. 71,26,52,065 is ***in default as evidenced by the several records of default issued by the information utility*** *as could be seen from Pages No. 10 to 97 of the Rejoinder filed by the financial creditor. All the records of default issued by the information utility has been duly authenticated by the corporate debtor and therefore, we find no reason to get into the other records placed by the financial creditor for establishing the amount of debt and default."*

Pages 8 & 9 - Para 23

"*In the given case,* ***debt and default has been clearly established by the financial creditor by placing the records of default issued by information utility.*** *All the records of default issued by the information utility has been duly authenticated by the corporate debtor and consequently, the debt and default has been established beyond any doubt……"*

Accordingly, the present application under Section 7 stands admitted.