

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

NCLT, New Delhi, Court - IV, in the CIRP Application filed by IDBI Trusteeship Services Private Limited under Section 7 of IBC, 2016 (CP No.: IB 555(ND)/ 2023), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s ATS Infrabuild Private Limited, vide Order dated 04.03.2025.

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 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 13 - Para 8:

“A petition under Section 7 of the IBC is maintainable upon satisfaction of the following essentials:

(b) Default in repayment:The Applicant has furnished evidence of default, including financial records and Information Utility reports, which substantiate that the Corporate Debtor has failed to discharge its debt obligations.”

Page 14 – Para 11(b):

“.... as evidenced by the Applicant's submissions and Information Utility records, the default has occurred, and even a single default is sufficient for triggering insolvency proceedings under IBC.”

Page 17 – Para 17:

“The default committed by the Corporate Debtor has been sufficiently demonstrated through Debenture Trust Deed, loan agreements, and Information Utility records...”

Page 17 – Para 18:

“ In light of the above facts and circumstances, it is ordered as follows: -

*18.1 The Application bearing **IB-555(ND)/2023** filed by the Applicant/(FC), under section 7 of the Code read with Rule 4 of the Adjudicating Authority Rules for initiating CIRP against the Corporate Debtor is **admitted**.”*