

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

NCLT, Amaravati Bench, in the CIRP Application filed by State Bank of India under Section 7 of IBC, 2016 (CP(IB)/11/7/AMR/2026) has admitted the application for initiation of Corporate Insolvency Resolution Process against the Corporate Debtor M/s Sri Venkata Sivaparvathi Spinning Mills Pvt Ltd, vide order dated 08.05.2026.

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, default, amount of default, date of 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 15 - Para 14(ii):

"The Record of Default in Form D issued by the NeSL in respect of loan account of the Corporate Debtor reflects the default amount as Rs. 44,82,89,500/- with the date of default being 01.09.2024 and the status of the authentication of the default is 'Authenticated'...."

Page 15 – Para 14(ix):

"In view of the above, we are of the considered view that the Financial Creditor has been able to establish the debt and default exceeding the threshold limit of Rupees One Crore as required Section 7 of the Code and therefore, the Petition needs to be admitted."

Page 23 – Para 17:

"..the present Petition bearing CP(IB)/11/7/AMR/2026 filed by the Financial Creditor under Section 7 of the IBC for initiating CIRP against the Corporate Debtor, namely, Sri Venkata Sivaparvathi Spinning Mills Private Limited is hereby admitted ..."