

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

NCLT, Court-VI, New Delhi Bench, in the CIRP Application filed by Findoc Finance Private Limited under Section 7 of IBC, 2016 (CP(IB) (IBC) No. 537/ND/2023), has admitted the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor M/s AF Enterprises Limited, vide Order dated 25.04.2025.

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 **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 2 - Para 2:

“The present application was filed on 30.08.2023 before this Adjudicating Authority on the ground that the Corporate Debtor has defaulted to make a payment of a sum of Rs. 2,44,19,528/- (Rupees Two Crore Forty-Four Lakh Nineteen Thousand Five Hundred Twenty-Eight) as on 01.05.2022 (alleged date of default). The Financial Creditor has filed the “record of default” dated 01.05.2022 as generated by the NeSL, showing the status of default of the Corporate Debtor under the Loan Agreement as “deemed to be authenticated.”

Page 5 – Para 6:

“As per the records, the Financial Creditor and Corporate Debtor entered into a loan agreement dated 14.03.2022 for a loan facility of 12 months @ 12% interest per annum. The Financial Creditor also filed the “record of default” dated 01.05.2022 as generated by the NeSL and showing the status of default of the Corporate Debtor under the Loan Agreement as “deemed to be authenticated” The Financial Creditor/ Applicant has till date disbursed Rs. 2,30,00,000/ (Rupees Two Crore Thirty Lakhs only) to the Corporate Debtor in terms of the Loan Agreement. The Corporate Debtor has defaulted in making the payments in terms of the Loan Agreement and the total amount outstanding as on the date of the petition is Rs.2,44,19,528/- (Two Crores Forty-Four Lakhs Nineteen Thousand Five Hundred Twenty-Eight only).”

Page 7 – Para 13:

“In the light of the above facts and circumstances, and in terms of Section 7(5) (a) of the Code, the instant petition COMPANY PETITION IB (IBC)/537 (ND) 2023 filed by Findoc Finvest Private Limited, the Financial Creditor, under Section 7 of the Code read with Rule 4(1) of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating CIRP against AF Enterprises Limited, the Corporate Debtor, stands admitted and CIRP of AF Enterprises Limited is initiated.”