

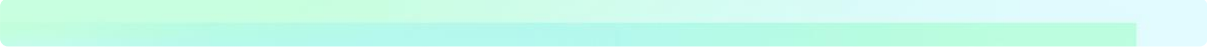


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## **PSL Release**

**Order of National Company Law Tribunal mandating filing of default record with Application under IBC**

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The National Company Law Tribunal has issued order dated 12.05.2020 directing all new Section 7 petitions filed under the Insolvency and Bankruptcy Code, 2016 (“Code, 2016”) to be mandatorily file with the default record from Information Utility. The Order states that no new Section 7 petition under the Code, 2016 shall be entertained without the record of default.

An Information Utility is a professional organization which is registered with Insolvency and Bankruptcy Board of India under Section 210 of Code, 2016 and which provides authenticated information about debts and defaults. It is pertinent to note here that as per Section 215(2) of the Code, 2016 it was the mandatory for a financial creditor to submit financial information and information related to the assets in relation to which any security interest has been created. However, as per Section 215(3) of the Code, 2016 in case of an operation creditor, submission of financial information is not necessary.

The order dated 12.05.2020 also makes the filing of default records from information utility mandatory for all cases pending for admission before the next date of hearing.