NeSL®
National E-Governance Services Ltd.

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

NCLT, Allahabad Bench, Prayagraj in the CIRP Application filed by M/s State Bank of India under Section 7 of IBC, 2016, CP(IB) No.26/ALD/2023 with IA No. 583/2023, has admitted the application for initiation of Corporate Insolvency Resolution Process against the Corporate Debtor M/s Jaypee Cement Corporation Ltd, vide Order dated 22-07-2024.

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 8 & 9 –Point 7

"*the Applicant has also attached the* ***"Record of Default (ROD)" in Form D issued by Information Utility i.e. National E-Governance Services Limited (NeSL) in respect of the default*** *committed by the Corporate Debtor JCCL on repayment of outstanding debts. A number of Forms D issued by NeSL in respect of default on repayment of debts under various financial facilities have been enclosed in this Annexure…."*

Pages 64 & 65 – Point 92 & 93

" *After considering the entire facts of the case so far discussed and taking into account the decision of the Apex Court in the above mentioned cases, we find that in the present case, default has occurred and State Bank of India's Section 7 Petition is complete providing all the details of debts and default as required in Part IV of the Application and attaching all the necessary supporting documents* ***including ROD from NeSL as required in Part V of the Application*** *and there is no disciplinary proceeding against the proposed IRP. Considering that all the above elements are fulfilled as required under IBC, we find that this Application deserves to be admitted u/s 7 for starting CIRP against the Corporate Debtor."*

"In view of our above findings, we are satisfied that the Applicant/Financial Creditor has proved the debt and the default, which is more than the threshold limit of Rs. 1 crore the limit applicable at present. The application is also filed within limitation period and complete in all respect and a resolution professional is also proposed as per section 7(3)(b). ***Accordingly, the present application under Section 7, has been found fit to be admitted as per Section 7(5) of the I & B Code, 2016."***