

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

NCLT New Delhi, Court V (Division Bench), in the CIRP Application filed by M/s State Bank of India under Section 7 of IBC, 2016 (C.P.IB (IBC) No.622/ND/2022), has admitted the application for initiation of Corporate Insolvency Resolution against the Respondent M/s SCHON Ultra Wares Private Limited, vide Order dated 1-8-2023.

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 the Debt and Default in 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 9 - Para 10:

"Furthermore, as per the record of default as maintained by the Information Utility NeSL, it is concluded that there exists a debt worth more than Rs.1 Crore by the Corporate Debtor towards the Financial Creditor and the said Corporate Debtor has defaulted in the repayment of the said debt. Therefore, another major essential ingredient of Section 7 i.e., "default" with respect to the debt stands substantiated.

Page 12 - Para 14.

.....In the light of the above facts and circumstances, and in terms of Section 7(5) of the Code, the instant petition Company Petition IB(IBC)/622(ND)2022 filed by the State Bank of India, 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 M/s Schon Ultra Wares Private Limited, the Corporate Debtor, stands admitted and CIRP of M/s Schon Ultra Wares Private Limited is initiated.