



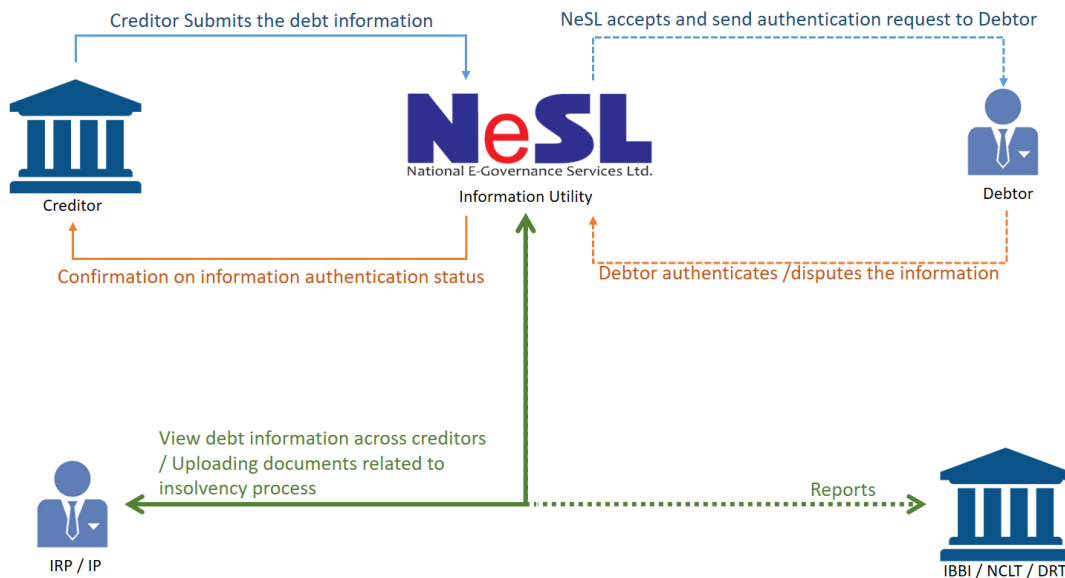
Information Utility

Usage of IU services by
Insolvency Professionals

National E-Governance Services Limited

National E-Governance Services Limited (NeSL) is the first Information Utility (IU) registered with The Insolvency and Bankruptcy Board of India (IBBI) as per the Information Utility Regulations, 2017. The primary role of IU is to serve as a repository holding the information pertaining to any debt/claim, as submitted by the financial or operational creditor, verified and authenticated by the other parties to the debt. IU's role is to facilitate time bound resolution of insolvency by providing verified information to adjudicating authorities that does not require further proof.

Schematic Workflow



IU system can be advantageous to the Insolvency Resolution Professionals as it plays a very important role in making the IBC eco-system efficient using information technology and bring transparency in the Insolvency and Bankruptcy process thereby making the resolution process quick and smooth. Existing services of NeSL IU are as below:

A. Credit repository (Existing scope of work as per IU regulation, 2017)

1. Online Registration: For availing IU services, all users (Creditors, Debtors, Co-Obligant and Guarantors) are required to register on IU platform
 - a. For all types of entities (individuals as well as non-individuals)
 - b. Identification of user/entity using Aadhaar OTP or Digital Signature
 - c. Supporting document with Authority letter or Board resolution on the name of User (for entities other than non-individual)

- d. Digital Signature upload
 - e. Verification of PAN from Income Tax Department
 - f. Mobile no and email ID verification
2. Information Submission: As per IBC, 2016, Financial / operational creditor uploads periodically, financial information on IU platform in the required Form C template and supporting documents (if any). Form C covers submitter information, Loan /invoice details, related parties details (Debtors, Co-Obligant and Guarantors), security details and default details (if any).
 3. Information Authentication: On receipt of financial information, IU sends authentication request to related party of the credit transaction to accept using his/her digital signature or Aadhaar e-sign. In case if user observe any discrepancy (ies) in the information, then he/she may raise dispute along with valid reason(s) for it.
 4. Reports: IU registered user can download the following reports from the system
 - a. *Authentication Status*:
List of loan authenticated or disputed by the entity
 - b. *Authentication Behavior*:
Percentage of authentication/ dispute / pending status against the total submissions
 - c. *360-degree report*:
A consolidated report of all types of loan / advances uploaded by financial as well as operational creditors with the authentication status and dispute remarks (if any).
 - d. *Record of default / Statement of default*:
NeSL provides Record of Default / Broadcast of Default to creditor within 7 and 15 days of the information, respectively. The same is required as part of information furnished in Form I when a creditor files a case to NCLT. Many NCLTs have placed notices on their respective notice boards for enclosing record of default from IU. IPs may inform their clients who are in the process of initiating IBC against any debtor (defaulter) to upload information (FORM C) on NeSL IU along with default section details and obtain a corresponding record of default.

B. IP Module:

Regulation 38 of Information utilities regulations permits IPS to submit reports, registers etc to an IU.

IRPs/IPs/Liquidators can register on NeSL IU portal to access the information available with NeSL IU that is related to the corporate debtor whose default has been accepted and the RP

has been appointed. This will help RPs in arriving at quick decisions especially in the initial days of assignment like claim verification, forming of CoC etc. IU system can be an advantage for storage purpose also where IRP/RP/ Liquidator can store the workings, sheets, Minutes of meetings, information memorandum, Valuer reports important communications etc against the debtor on IU system, for easy access later on.

Major Benefits to the Insolvency Professional by registering with IU

- By registering with the IU the IP can get access to all the information against the defaulting corporate debtor to whom he has been appointed as RP, as submitted by different creditors.
- Since the financial creditors can submit the claims in electronic forms only (Regulations 8 of Insolvency Resolution Regulations) the IRP can ask the FCs to submit Form C prescribed under this regulations through the IU which can be accessed by him any time.
- Minutes of the meetings of CoC and other important documents can be stored safely and securely with the IU, the access to which is restricted only to the IPs and their authorised representatives.
- As per Regulations 17 of the Liquidation Process regulations (Voluntary liquidation process) the FCs can be asked to submit the claims in Form C through the IU at the time of liquidation.

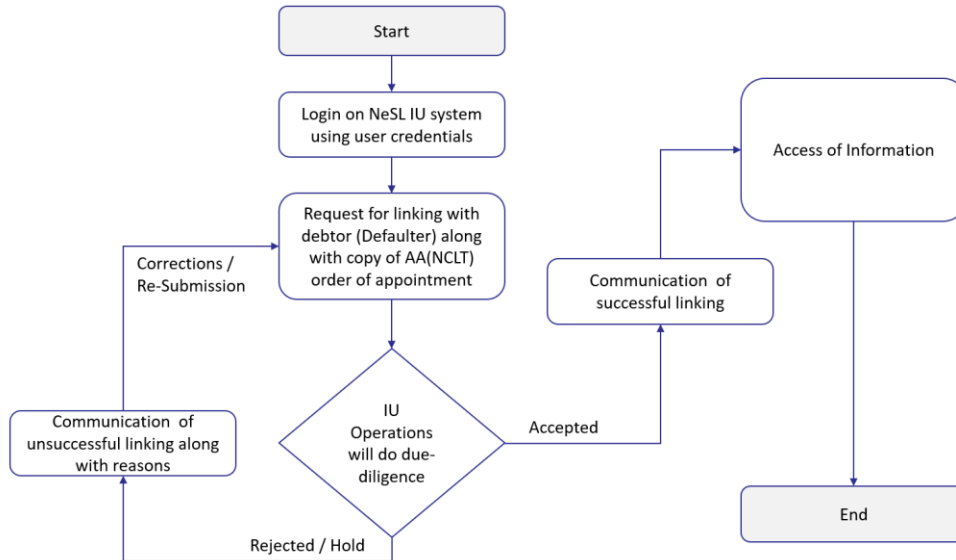


1. Online Registration Module:

For availing IU services, IP / Liquidators are required to register on IU platform

- Individual IRPs/IPs/Liquidators
- Identification of user using Aadhaar OTP or Digital Signature
- IP registration certificate issued by IBBI
- Digital Signature upload
- Verification of PAN from Income Tax Department
- Mobile no and email ID verification

2. Linking with the Debtors & accessing information:



Only specified Users can access the information from IU system. For accessing available information from IU system, IP / liquidator are required to get linked with the debtor by submitting request of linking through upload of copy of the proceedings/orders issued by NCLT appointing as IRP/RP/ Liquidator.

Once IP / Liquidator is linked with the debtor, he/she may access all information available in the IU system uploaded by financial creditor or operational creditor. IRP can decide the composition of COC from the available authenticated data. This will help in claims verification too because digitally signed authenticated information is uploaded on the IU system.

3. Storing Information and retrieval:

- As per Section 38 of IBBI Information Utility Regulations, 2017, an insolvency professional may submit reports, registers and minutes in respect of any insolvency resolution, liquidation or bankruptcy proceedings to an information utility for storage.
- The information utility shall not provide access to the reports, registers and minutes submitted under sub-regulation (1) to any person other than the concerned insolvency professional, the Board or the Adjudicating Authority.
- The information utility shall discharge the duties specified in Chapter VI in respect of the reports, registers and minutes submitted under sub-regulation (1).
- IP or Adjudicating Authority can retrieve the stored information. This can also serve as a business continuity like in case of natural disaster or in case of

change in IRP to IP or IP to liquidator; the information can be made easily available.

You may reach National E-Governance Services Limited (NeSL) on following contact details:

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