

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

Important Takeaway

Form D / Record of Default from Information Utility assists the Adjudicating Authority in identifying a pre-existing dispute in an Operational Debt and reject the application filed u/s 9 for initiating CIRP.

NCLT, Ahmedabad Bench, in the CIRP Application filed by **Mr. Haresh Dharmani Operational Creditor** under Section 9 of IBC, 2016 CP (IB)160(AHM) 2025 has dismissed the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor **Deep Seals (India) Ltd...**, vide Order dated 28.07.2026

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 pre-existing dispute for dismissal under Section 9 of IBC, 2016, read with Rule 6 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 4, Para 15

" The Operational Creditor submitted NeSL report which shows status "Disputed". In pursuance of order dated 10.11.2025, the Operational Creditor has filed bank statement as proof with certificate on the payments made by the Respondent. "

Page 6, Para 17 d:

" There is not only dispute on the quantum of goods, the applicant being a sole proprietor has been given certain funds either in the same contract or other arrangements, but both the parties seems to have executed a equipment leasing termination agreement which is stamped document dated 21.06.2022. NeSL Form D also shows dispute. As there is pre -existing dispute the application is liable to be rejected."

Page 6,: Order

" CP(IB) 160(AHM)2025 is rejected and stands disposed of. "