Dismissal of CIRP Applications on the basis of Form D issued by NeSL- Information Utility

"In case the statutory condition as contained in Section 9(5)(ii)(d) is in existence, i.e., if either notice of dispute is received or there is a record of dispute in the information utility, Adjudicating Authority has to reject the Application."

NCLT, Mumbai Bench (Court IV), in the CIRP Application filed by **M/s IT Source Technologies Ltd. under** Section 9 of IBC CP (IB) No. 512/MB/2025 has dismissed the application for initiation of Corporate Insolvency Resolution against the Corporate Debtor **M/s L A Technologies Pvt. Ltd. on.,** vide Order dated 06.10.2026

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 dismissing the application filed 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 16, Para 12.2

" At the outset this Bench takes notes of the fact that the Corporate Debtor in its Additional Affidavit dated 10.07.2026 has sought to rely upon the alleged "dispute' reflected in the record of default with the information utility.."

Page 19, Para 12.6:

"in case the statutory condition as contained in Section 9(5)(ii)(d) is in existence, i.e., if either notice of dispute is received or there is a record of dispute in the information utility, Adjudicating Authority has to reject the Application."

Page 25, Para 12.14:

"Having considered the totality of the material placed on record, we are of the view that considering the provisions of section 9(5)(ii)(d) of IBC, 2016, this adjudicating authority is bound to reject an application in case the record of default as issued by the information utility reflects the status of authentication of default as "disputed"."

Page 25, Para 12.15: ORDER

"In these circumstances, we are satisfied that the CD has successfully demonstrated that there exists a record of dispute with the information utility and therefore, the present Petition CP(IB)/512/MB/2025 is rejected under Section 9(5)(ii)(d) of the IBC as non-maintainable."