

NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH (COURT-II)
IN
COMPANY PETITION NO. (IB) 89/ND/2026

IN THE MATTER OF CP (IB) No. 89/ND/2026:
(Under Section 9 of IBC, 2016)

S.R.K. Papers Pvt Ltd.

B-285, Ground Floor Okhla,
Phase-I, South Delhi,
Delhi, India - 110020

... Operational Creditor

Versus

Karn Laminators Pvt. Ltd.

A-19, Ground Floor
Naraina Industrial Area,
New Delhi- 110028, India

**... Respondent/
Corporate Debtor**

Order Delivered on: 30.06.2026

CORAM:

SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)

SH. ATUL CHATURVEDI, HON'BLE MEMBER (T)

PRESENT:

For the Applicant : Adv. Sumesh Dhawan, Adv. Vatsala Kak, Adv.
Sagar Thakkar, Adv. Khyati Khemka

For the Respondent :

ORDER

PER: SHRI ASHOK KUMAR BHARDWAJ, MEMBER (J)

The conspectus of the matter as narrated in the application is that the CD approached the OC in the year 2019 for supply of Duplex Board Paper and the OC supplied the paper from time to time. Ergo, invoices were raised by the OC on the CD, but the CD defaulted in making the payment of consideration for the goods.

2. As has been mentioned in Part-IV of the application, in total, the CD defaulted to pay an amount of Rs. 3,42,50,047/- (Indian Rupees Three Crores Forty-Two Lakh Fifty Thousand Forty-Seven Only) which includes INR 2,77,88,000.68 (Indian Rupees Two Crores Seventy-Seven Lakh Eighty Eight Thousand and Sixty Eight Paisa Only) as Principal amount and INR 64,62,046.32/- (Indian Rupees Sixty-Four Lakh Sixty Two Thousand Forty Six and Thirty Two paisa only) as interest.

3. Copies of Tax Invoices raised by the OC have been placed on record as Annexure A-5 to the application. During the course of hearing, counsels for the parties made reference to e-mails exchanged between them. When the Ld. Counsel for the Applicant relied upon the e-mail dated 23.08.2025 to espouse the plea regarding the demand of the amount of debt (Annexure A-7), the Ld. Counsel for the Corporate Debtor made reference to e-mail dated 24.08.2025 to address that there was dispute regarding the contract and liability of the CD to pay, as during the months of May/June/July 2025, the papers were supplied not as per confirmation of the order and the OC supplied the material under pressure from the mills and the CD unloaded the material only because

OC requested to do so and looking into the past relationships between them.

The e-mail dated 24.08.2025 reads thus:-

“Dear sir

The balance which you are claiming is not matching as per our books of accounts. Also we are not doing any unfair business practices.

The material of Ambani paper mills which you have supplied in the month of May/June/July 2025 was not as per our confirmation of orders and you have dispatched the Material under pressure from the mills and you have requested us to kindly unload the materjal and looking at our past business relationship we have unloaded the material.

Further we are releasing an amount of Rs 50 lacs within next 7-10 days

Thx

Rishi”

4. The aforementioned e-mail also reflect that the amount claimed by the OC is not matching with the books of accounts of the CD. Though, the aforementioned e-mail dated 24.08.2025 was replied by the OC on 02.09.2025, but the facts emerges are that before service of Demand Notice, the parties had dispute regarding the amount of debt and liability of the Corporate Debtor to pay the same. The dispute is also reflected from communication dated 17.10.2025 sent by OC to CD. The text of communication reads thus:-

“I regret to say that once again, the same situation has happened you made your own work a priority and did not keep your word. I

trusted you and started the Ambani dealing solely on your assurance that the payment would be made within 60 days.

Even after that, I adjusted and requested you to release at least 75 lakhs out of the total ₹1.56 crore for the current dealing, but despite repeated follow-ups by Raghav over the past several months, the payment was not made, even before Diwali as promised.

*It is very disappointing to see that you used the funds received to build your factory and for your current purchases of Paper, **while because of your delay, my work with Ambani Paper Mill has stopped similar to what had happened seven years ago against which my amount is still pending.***

This was the last time I placed my trust in you. Going forward, we will not be engaging in any further business dealings with you. I will take all necessary steps to recover both the old outstanding balance and the current dues by whatever means the businessperson is entitled to do when payments remain pending for years by the client's like you.”

5. From the aforementioned communication it appears that the OC was concerned about recovery of its debt only. It is stare decisis that IBC is not meant for introducing the process to recover debt. The same is a process for putting the CD back to its feet. Indubitably, the Demand Notice was sent on 10.12.2025 and the aforementioned communications between the parties raising the issues regarding liability are of prior dates. In *Mobilox Innovations Pvt. Ltd. vs. Kirusa Software Pvt. Ltd. (2017) ibclaw.in 01 SC*, the Hon'ble Supreme Court viewed that in the event of there being pre-existing dispute, an application preferred under Section 9(1) of IBC, 2016, should not be admitted. In the present case, the parties were in dispute regarding schedule

of supply and confirmation of demand of papers by the CD. The dispute was raised well before demand was raised. The same could not be described as moonshine dispute or defense. The relevant para of judgment of the Hon'ble Supreme Court reads thus:-

“40. It is clear, therefore, that once the operational creditor has filed an application, which is otherwise complete, the adjudicating authority must reject the application under Section 9(5)(2)(d) if notice of dispute has been received by the operational creditor or there is a record of dispute in the information utility. It is clear that such notice must bring to the notice of the operational creditor the "existence" of a dispute or the fact that a suit or arbitration proceeding relating to a dispute is pending between the parties. Therefore, all that the adjudicating authority is to see at this stage is whether there is a plausible contention which requires further investigation and that the "dispute" is not a patently feeble legal argument or an assertion of fact unsupported by evidence. It is important to separate the grain from the chaff and to reject a spurious defence which is mere bluster. However, in doing so, the Court does not need to be satisfied that the defence is likely to succeed. The Court does not at this stage examine the merits of the dispute except to the extent indicated above. So long as a dispute truly exists in fact and is not spurious, hypothetical or illusory, the adjudicating authority has to reject the application.”

6. Nevertheless, during the course of hearing, the Ld. Counsel for the CD also raised the plea that when there is dispute regarding the payable amount, the CD is willing to enter into settlement with the OC. At this stage, the pre-existing dispute may be a good ground to nix the admission of the application, but the same may not be considered as a finding to absolve the CD from its due liability to pay the amount of consideration for the papers supplied to it.

In the present proceedings, CIRP can be ordered to be commenced only in respect of undisputed amount and it is not open for this Tribunal to determine the dispute to arrive at the amount of debt. Thus, the application is rejected with the observation that the Applicant would be at liberty to resort to the remedy/remedies available to it in accordance with law. It is made clear that if at any subsequent stage, the amount of debt is determined without there being any dispute regarding the same, either by way of settlement or judicial determination, the present order would not come in the way of the OC to initiate fresh proceedings provided that the undisputed amount meets the requirement of Section 4 of the Code. **The application stands disposed of. No cost.**

**Sd/-
(ATUL CHATURVEDI)
MEMBER (T)**

**Sd/-
(ASHOK KUMAR BHARDWAJ)
MEMBER (J)**