NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI
ORDER SHEET OF THE HEARING ON 9TH SEPTEMBER 2026

CP(IB)/31/GB/2025

Present: 1. Hon'ble Member (Judicial), Shri Rammurti Kushawaha
2. Hon'ble Member (Technical), Shri Yogendra Kumar Singh

In the Matter of	Shree Bajarang Infracon Private Limited Vs Kamakhya Biofuels Private Limited
Under Section	U/s 9 of IBC, 2016

Appearances (via video conferencing/physically)

CP(IB)/31/GB/2025

For Petitioner (s) : Mr. Nirmal Goenka, Adv. (Sree Bajrang Infracon Private Limited)

For Respondent (s) : Ms. Shreya. Jain, Adv. (Kamakhya Biofuels Private Limited)

ORDER

Order pronounced in open court *vide* separate sheets.

Sd/-
Yogendra Kumar Singh
Member (Technical)

Sd/-
Rammurti Kushawaha
Member (Judicial)

NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI

CP (IB)/31/GB/2025

Application to initiate CIRP in respect of Corporate Debtor under Section 9 of the Insolvency and Bankruptcy Code, 2016

In the matter of:

Sree Bajrang Infracon Private Limited, (through its Liquidator Mr. Purshotam Gaggar), bearing CIN: U45209AS2013PTC011550, having his address at Advika, 3rd Floor, M.G. Road, Opposite Sukreshwar Ghat Garden, Panbazar, Guwahati- 781001, Assam, Email ID: liq.sbipl@gmail.com

…Operational Creditor/ Applicant

-Versus-

Kamakhya Biofuels Private Limited, bearing CIN: U24290AS2021PTC021901, having its registered office at Village Badiasisha, PO Khandajan, Darrang, Sipajhar, Assam, India, 784145, Email ID: kbplassam@gmail.com

…Corporate Debtor/ Respondent

Coram:

Shri Rammurti Kushawaha	:	Member (Judicial)
Shri Yogendra Kumar Singh	:	Member (Technical)

Appearances (through video conferencing):

For Petitioner	:	Mr. N. Goenka (Adv.)
For Respondent	:	Mr. S. Mitra, Ms. S. Jain (Advs.)

Order pronounced on: 09.09.2026

As Per Bench

1. This Company Petition is filed by **Sree Bajrang Infracon Pvt. Ltd.** ("**Operational Creditor/ Applicant**") under Section 9 of the Insolvency and Bankruptcy Code ("**Code**") seeking initiation of the Corporate Insolvency Resolution Process ("**CIRP**") against **Kamakhya Biofuels Pvt. Ltd.** ("**Corporate Debtor/Respondent**") on account of non-payment of an operational debt amounting to Rs. 4,29,85,347/- (Rupees Four Crores Twenty-Nine Lakhs Eighty-Five Thousand Three Hundred and Forty-Seven Only) as on 09.01.2024. The date of default is 09.01.2024.

2. **Submissions of the Operational Creditor *vide* its Petition dated 01.11.2025:**

2.1. The Operational Creditor, i.e., Sree Bajrang Infracon Private Limited ("**BIPL**") is engaged in the business of building of complete constructions or parts thereof and civil engineering.

2.2. The Corporate Debtor, i.e., Kamakhya Biofuels Private Limited ("**KBPL**") is engaged in the business of manufacturing and sale of ethanol. The Operational Creditor provided various services (excavation, earthmoving services, constructions of retaining wall and associated work, etc.) to the Corporate Debtor. The Operational Creditor raised invoices for the services they provided to the Corporate Debtor, the same being duly acknowledged by the Corporate Debtor. To clear outstanding dues of the Operational Creditor, the Corporate Debtor made certain ad-hoc payments. However, an amount of Rs. 4,29,85,347/- is still outstanding. Copies of the ledger with outstanding invoices are annexed to the Petition as "*Annexure 3 (colly)*".

2.3. This Hon'ble Tribunal *vide* order dated 12.01.2024, allowed CP (IB) No. 7/GB/2023, titled "*M/s Jalan Sales Corporation vs. Sree Bajrang Infracon Private Limited*", thereby initiating CIRP against the Sree Bajrang Infracon Private Limited. The Resolution Professional ("**RP**") issued a demand notice on 25.10.2024 to the Corporate Debtor for clearing the dues of the Operational Creditor after perusing its records. However, the Corporate Debtor neither cleared the outstanding dues nor replied to the demand notice. Copies of the order dated 12.01.2024 and demand notice dated 25.10.2024 are annexed to the Petition as "*Annexure 4*" and "*Annexure 5*" respectively.

2.4. This Hon'ble Tribunal *vide* order dated 20.12.2024 was pleased to allow the

application bearing IA No. 123 of 2024 for liquidation of the Operational Creditor. Further, this Hon'ble Tribunal appointed Mr. Purshotam Gaggar as the Liquidator of the Operational Creditor. A copy of the order dated 20.12.2024 is annexed to the Petition as "*Annexure 2*".

2.5. On 31.12.2024, the Liquidator of the Operational Creditor requested the Corporate Debtor to clear their dues. However, the Corporate Debtor, on one hand, refused to clear their dues and on the other hand, filed a claim of Rs. 2,61,05,984/- in the liquidation proceedings. The Liquidator *vide* letter dated 27.01.2025 rejected the claim of the Corporate Debtor. It is mentioned that the same has not been challenged by the Corporate Debtor till date. Copies of the notice dated 31.12.2024 and email dated 27.01.2025 are annexed as "*Annexure 6*" and "*Annexure 9 (colly)*" respectively.

2.6. The Liquidator of the Operational Creditor filed IA No. 42 of 2025 before this Hon'ble Tribunal for seeking permission to initiate legal proceedings against the Corporate Debtor. This Hon'ble Tribunal *vide* order dated 02.07.2025 was pleased to allow the said application. A copy of the order dated 02.07.2025 is annexed to the Petition as "*Annexure 14*".

2.7. Thereafter, a demand notice dated 17.07.2025 was served upon the Corporate Debtor. The same was delivered on 29.07.2025. However, the Corporate Debtor has neither paid the outstanding amount nor replied to the said demand notice. A copy of the demand notice dated 17.07.2025 along with postal tracking report is annexed to the Petition as "*Annexure 15 (colly)*".

2.8. In view of the above, upon the Corporate Debtor failing to pay the operational debt despite receiving the demand notice dated 17.07.2025, it is evident that a debt is due and payable, and the Corporate Debtor has defaulted in its repayment. Consequently, the Operational Creditor filed the present Petition to initiate CIRP under Section 9 of the Code.

3. **Submissions of the Corporate Debtor *vide* its Affidavit-in-Reply dated 12.12.2025:**

Preliminary Submissions

3.1. It is submitted that the Corporate Debtor had issued two work orders on 14.12.2022 and on 21.11.2022, respectively, in favour of the operational creditor for the purpose of soil filling and construction of retaining wall and associated works at Sipajhar, Darrang, Assam.

3.2. The Operational Creditor used to raise invoices on the Corporate Debtor and the same was duly cleared by the Corporate Debtor in terms of the payment terms detailed in the work orders.

3.3. However, in and around February 2023 and onwards, the Operational Creditor failed to construct the retaining wall and take necessary measures for soil filling in accordance with the work orders. The Corporate Debtor had called upon the Operational Creditor on multiple occasions to comply with its obligations under the work orders but they were ignored. Not only verbal reminders but written communications were also issued *vide* letter dated 28.02.2023. A copy of the letter dated 28.02.2023 is annexed to the Petition at *Page 79-80*.

3.4. The Operational Creditor had also admitted to its own defaults and deficiencies under the work orders in an email issued on 07.03.2023 to one of its sub-vendors, namely, Mr. Mirza MD Raihan, wherein the Operational Creditor called upon the aforesaid sub-vendor to start dumping soil dressing, levelling, and rolling so that final measurement could be conducted as late as March 2023. Moreover, photographs showing incomplete soil supply and filling work has also been attached with the said email. This email demonstrates the admitted breaches and defaults on its part in complying with the terms, conditions, and timelines detailed in the work orders. A copy of the said email is annexed at *Page 81* of the Petition.

3.5. Further, the Corporate Debtor *vide* letters issued on 20.03.2023 informed the Operational Creditor to take expeditious measures in accordance with the scope of work detailed in the work orders. By the said letters both issued on 20.03.2023, the Corporate Debtor informed the Operational Creditor that if they failed to take necessary steps in terms of the work orders, the Corporate Debtor would be compelled

to terminate both the work orders. However, the Operational Creditor continued to be in breach of its obligations under the work orders. Copies of the letters are annexed at *Pages 82-83* of the Petition.

3.6. The Corporate Debtor also engaged a surveyor to assess the quality of soil filling work carried out by the Operational Creditor and the said surveyor furnished a report dated 09.05.2023, *inter-alia* observing and finding that the soil filling work partially carried out by the Operational Creditor did not conform to the quality standards prescribed by the Corporate Debtor in its work orders. A copy of the surveyor's report is annexed to the Affidavit-in-Reply as "*Letter A*".

3.7. It is submitted that since the Operational Creditor failed to provide services in accordance with the terms and conditions detailed in the work order, in order to avoid contractual liability as well as the legal liability from third parties, the Corporate Debtor was compelled to engage another vendor, namely, Niranjan Sharma for the purpose of completion of the same works initially assigned to the Operational Creditor. The work order issued in favour of the said vendor categorically mentions that the works initially assigned to the Operational Creditor, pursuant to being "descoped" were assigned to Niranjan Sharma. Copies of the work order issued by the Corporate Debtor in favour of Niranjan Sharma along with its Tax Invoices are annexed to the Reply as "*Letter B*".

3.8. The aforesaid vendor has duly completed the said works and in view of the Operational Creditor's defaults, the Corporate Debtor has incurred a sum of Rs.4,14,09,836/ - towards payments made to the said vendor. The Corporate Debtor reserved its right to initiate appropriate legal proceedings claiming compensation for loss and damage suffered by the Corporate Debtor due to the material and fundamental breaches of the work orders by the Operational Creditor. Copies of relevant bank statements for payment of Rs. 4.14 crore are annexed to the Reply as "*Letter C*".

3.9. Ultimately by letters issued on 17.06.2023, the Operational Creditor terminated the work order and the Operational Creditor was called upon to refund a sum of Rs. 1.96 crore paid by the Corporate Debtor towards compaction work as well as a sum of Rs.

48,20,000/- which was paid to the Operational Creditor for sums claimed by them under the combined last two invoices of Rs. 48,46,260, although they never did the said works. Copies of the termination letters are annexed at *Pages 84 and 85* of the Petition.

3.10. The Corporate Debtor issued a lawyer's notice on 30.01.2024 demanding Rs. 1,96,70,417 as a refund relating to soil work and Rs. 48,20,000 relating to wall construction work, along with the cost of materials allegedly misappropriated by the operational creditor. A copy of the lawyer's notice is annexed to the Petition at *Page 86*.

3.11. In the meantime, another Section 9 IBC petition was filed against the Operational Creditor by M/s Jalan Sales Corporation bearing CP (IB) No. 7/GB/2023. The Corporate Debtor states that CIRP against the Operational Creditor commenced on 12.01.2024.

3.12. The Corporate Debtor disputes receipt of a letter allegedly issued by the erstwhile Resolution Professional. According to them, postal tracking shows that the letter was not delivered to the Corporate Debtor but was returned to the Beltola post office/office of origin. The Corporate Debtor therefore contends that the alleged claim is frivolous, illusory and speculative. They also alleged that no amount is payable by them to the Operational Creditor and instead, Rs. 2,61,05,984/- is allegedly payable to the Corporate Debtor.

3.13. The Operational Creditor was placed into liquidation on 24 December 2024 by this Hon'ble Tribunal.

3.14. The Liquidator issued a notice dated 31.12.2024 demanding Rs. 4,29,85,347/- from the Corporate Debtor. The Corporate Debtor disputes the claim as frivolous and baseless. They particularly points out that the Liquidator's notice allegedly threatened to institute a civil recovery suit if payment was not made within 15 days. The Corporate Debtor argues that filing the present Section 9 petition on the same claim demonstrates an attempt to improperly use the IBC as a recovery mechanism.

3.15. The Corporate Debtor lodged its own claim before the Liquidator on 13.01.2025 for Rs. 2,61,05,984. In that claim, they specifically raised pre-existing disputes, poor

quality of services, breach of representations and warranties, and breach of the work orders by the Operational Creditor.

3.16. The Liquidator allegedly rejected the Corporate Debtor's claim arbitrarily and on frivolous grounds. The rejection was communicated on 27.01.2025.

3.17. The Corporate Debtor responded on 30.01.2025, requesting the Liquidator to reconsider and independently verify its claim. They allege that the Liquidator failed to do so and instead mechanically relied upon comments made by the suspended Board of Directors of the Operational Creditor. The Corporate Debtor contends that there was no independent assessment or adjudication by the Liquidator.

3.18. The Liquidator had filed an application being IA(IBC)/42/GB/2025 in CP(IB)/7/GB/2023 under Section 33(5) of the Code seeking leave to initiate proceedings against the Corporate Debtor. By order dated 02.07.2025, the Tribunal granted leave to initiate appropriate recovery proceedings. The Corporate Debtor's key argument is that the Tribunal did not grant permission to initiate insolvency proceedings against them. Therefore, according to the Corporate Debtor, the present Section 9 petition is not maintainable

3.19. The Corporate Debtor argues that the Operational Creditor has not properly annexed the invoices forming the basis of the Section 8 demand notice. It further alleges that the last two invoices—Invoice No. 285 dated 22.11.2023, and Invoice No. 286 dated 10.12.2023—were never served upon the Corporate Debtor, and no proof of service has been produced. It is further alleged that the Liquidator is relying upon manufactured documents provided by the suspended directors.

3.20. The alleged confirmation of accounts relied upon by the Liquidator does not bear the Corporate Debtor's seal, and does not contain the signature of an authorized representative. Therefore, the Corporate Debtor argues that no reliance can be placed upon it.

3.21. Under the work orders, further payments were allegedly contingent upon measurement of work actually completed, and submission of completion certificates verified by the engineer-in-charge. The Corporate Debtor contends that the Operational Creditor has not produced adequate documents proving completion or

measurement of the works.

3.22. The work orders required deployment of machinery, including compactors, dumpers, other necessary equipment, and adequate manpower. The Corporate Debtor alleges that no machinery or manpower was deployed beyond the stage of the last part-payment and that the Operational Creditor has produced no logs or records proving such deployment.

3.23. The Operational Creditor's own emails to its sub-vendor allegedly show that soil dumping, levelling, and rolling remained incomplete. According to the Corporate Debtor, this establishes that the Operational Creditor was unable to perform its contractual obligations.

3.24. The Corporate Debtor argues that the Operational Creditor should be put to strict proof of actual execution of the works. This should include proof of labor deployment, machinery deployment, manpower deployment, and certified measurement records. Without such proof, the Corporate Debtor argues that no operational debt can be established.

3.25. The Corporate Debtor alleges that the Liquidator falsely stated in the affidavit under Section 9(3)(b) that the Corporate Debtor had not communicated any dispute in writing.

3.26. The Corporate Debtor argues that substantial disputes concerning the quality and execution of work clearly existed before the Section 8 demand notice dated 17.07.2025. Therefore, failure to respond to that particular demand notice is irrelevant because the disputes were already apparent from earlier correspondence and documents. Consequently, the Corporate Debtor argues that a Section 9 petition cannot be maintained.

3.27. The disputes between the parties are described as purely contractual disputes concerning defects, defaults, and breaches under the work orders. The Corporate Debtor argues that such disputes cannot be adjudicated through proceedings under the Code and therefore the petition should be dismissed.

3.28. The Corporate Debtor argues that the Liquidator's own correspondence and pleadings show that the proceedings were initiated for recovery of money. Since

proceedings under the Code cannot be used merely as a debt recovery tool, the petition is alleged to be unsustainable. This argument is stated without prejudice to the Corporate Debtor's primary contention that no amount is payable at all.

3.29. The Liquidator claims Rs. 4,29,85,347 as operational debt. The Corporate Debtor argues that no concrete documentary basis for this amount has been placed on record. Conversely, it claims to have a legitimate counterclaim of Rs. 2,61,05,984.

3.30. The Operational Creditor/Liquidator allegedly has not produced documents establishing that the works were completed according to the terms of the work orders.

3.31. The Operational Creditor allegedly has not produced a proper record of default, which the Corporate Debtor contends is mandatory for a Section 9 Petition.

3.32. The Liquidator claims the date of default to be 09.01.2024. The Corporate Debtor argues that no explanation or supporting documents have been provided to establish this date. It reiterates that, according to it, no operational debt exists and therefore no question of default arises.

3.33. The Corporate Debtor denies the legal relationship alleged in the petition and asserts that BIPL is not an Operational Creditor of KBPL, and KBPL is not a Corporate Debtor of BIPL.

3.34. The Company Petition is stated to be not maintainable either in law or on facts. It is alleged to be an abuse of the process of law and of the Tribunal, and to contain gross misrepresentation and suppression of material facts.

3.35. The Respondent claims that it is a solvent company. They argue that the petition is intended only to recover alleged dues rather than resolve genuine insolvency. Therefore, they seek dismissal and also requests action against the Liquidator and suspended directors under Section 65 IBC.

3.36. Based on all the above grounds, the Corporate Debtor seeks dismissal of the Company Petition with costs.

Para-wise reply

3.37. With reference to Part I to III of the Petition, except for matters expressly admitted or matters of record, all allegations in the petition are denied. Failure to specifically deny any allegation is not to be treated as an admission.

3.38. With reference to part IV, the Corporate Debtor specifically denies the existence of any operational debt, and the alleged debt of Rs. 4,29,85,347. They deny that the Operational Creditor properly performed the services, the receipt of the erstwhile RP's alleged letter, and liability to pay any amount. They reiterate that the invoices forming the basis of the petition have not been properly disclosed and that the alleged RP letter was returned and not delivered. They claim that the rejection of the Corporate Debtor's claim by the Liquidator was wrongful and that the Liquidator did not independently assess the claim. They also state that the Tribunal's order of 2 July 2025 permitted recovery proceedings, not IBC proceedings, and that the alleged date of default, 9 January 2024, has not been explained or substantiated. They also call the Liquidator's computation a unilateral and self-serving document that does not establish an unpaid operational debt or default.

Furthermore, the Liquidator has failed to bring on record any record of default as is mandatorily required under Section 9 of the Code.They add that the bank statements relied upon do not support the Operational Creditor's case

3.39. It is submitted that there are genuine pre-existing contractual disputes and that the IBC is being improperly used as a recovery mechanism. Therefore, the Corporate Debtor seeks dismissal of the petition in limine with exemplary costs**.**

4. **Submissions of the Respondent *vide* Written Notes:**

4.1. Facts of the petition are reiterated along with the Operational Creditor’s submissions.

4.2. It is reiterated that the present Petition under Section 9 of the Code is legally untenable in light of serious pre-existing disputes pertaining to contractual transactions. It is alleged to have been filed with the sole intent of recovery of alleged dues, which is impermissible under the various provisions of the Code. This petition suffers from misrepresentation as well as suppression of material facts.

4.3. The Operational Creditor failed to perform the works assigned to them which is evident from their own email dated 07.03.2023 issued by them to their sub-vendor. This email was issued after repeated follow-ups regarding discrepancies and continuous delay in completing the work raised by the Corporate Debtor. These discrepancies were pointed out to the Operational Creditor from time to time. The

Operational Creditor failed to complete the retaining wall and soil filling work despite several verbal and written reminders, including letters dated 28.02.2023. The Corporate Debtor has consistently disputed the alleged liability through letters and e-mails which have never been disputed prior to the filing of the instant Petition.

4.4. In an email dated 07.03.2023, the Operational Creditor admitted incomplete work and directed its sub-vendor to start soil dumping, levelling, and rolling. Such email to the sub-vendor shows disputes and incomplete work, confirming inability to perform contractual obligations. Again the Corporate Debtor called upon the Operational Creditor by a letter dated 20.03.2023 to complete the work, failing which there was a warning of imminent termination of work orders.

4.5. Meanwhile, a surveyor's report dated 09.05.2023 also found that the soil filling work carried out by the Operational Creditor did not meet the prescribed quality standards, inter alia, due to the use of substandard and inconsistent fill material, compaction below 90% of Proctor Density, non-compliance with the maximum 300 mm thickness requirement, lack of proper Detailed Project Report("**DPR**") documentation, and inadequate adherence to prescribed quality norms.

4.6. Due to continued breaches and failure to comply with the directions and timelines, the Corporate Debtor terminated the contract by letters dated 17.06.2023 and engaged another vendor, Niranjan Sharma, to complete the works which were de-scoped from the Operational Creditor. By the said termination letter, the Operational Creditor was asked to refund Rs.1.96 crores and Rs.48,20,000/- paid for works not executed.

4.7. The Operational Creditor neither disputed nor paid the aforesaid amount to the Corporate Debtor, showing malafide intent. The new vendor completed the work and the Corporate Debtor incurred Rs. 4,14,09,836/- towards completion of work. It is submitted that they further reserves the right to claim damages for the breaches committed by the Operational Creditor.

4.8. A lawyer's notice dated 30.01.2024 was issued to the Operational Creditor demanding refund of Rs. 1,96,70,417/- and Rs. 48,20,000/- from the Operational Creditor before filing of the present Petition. The letter was never replied by the Operational Creditor.

4.9. It is submitted that the Operational Creditor's claim that the letter dated 25.10.2024

demanding Rs. 4,29,85,347/- was never served on the Corporate Debtor is frivolous whereas admittedly, Rs. 2,61,05,984/- stands payable to the Corporate Debtor.

4.10. On 31.12.2024, the Liquidator allegedly issued a letter of demand for Rs.4,29,85,347/-, stating that recovery proceedings would be initiated in case of non-payment, showing that the present proceedings are a misuse of the Code as a recovery mechanism.

4.11. The Corporate Debtor replied to the Liquidator's letter dated 31.12.2024 on 14.01.2025 clearly disputing the alleged liability and explaining its position with respect to the claims raised by the Operational Creditor. The said reply demonstrates the existence of a pre-existing dispute between the parties, much before the issuance of the demand notice under Section 8 of the Insolvency and Bankruptcy Code, 2016 and further all the actual facts have also been brought on record by the Corporate Debtor, however the same has been deliberately ignored by the Liquidator to harass the Corporate Debtor or to extort the alleged claim.

4.12. Furthermore, the Corporate Debtor had also filed its claim before the Liquidator on 13.01.2025 for Rs.2,61,05,984/-, highlighting pre-existing disputes and breaches by the Operational Creditor.

4.13. It is further submitted that the Liquidator of the Operational Creditor had himself addressed an email dated 16.01.2025 to the Suspended Board of the Operational Creditor seeking clarification on the issues relating to the alleged claim, which itself demonstrates that the matter was under correspondence and required further examination. The Suspended Board responded to the said communication only much later, vide email dated 05.04.2025 and a letter dated 05.04.2025, raising false, baseless and mala fide contentions, which further evidences that the claim of the Operational Creditor was seriously disputed. Proof of correspondence is annexed to the Petition at *Pages 126 and 128-260.*

4.14. Despite being aware of the disputes raised and receiving no satisfactory response from the Suspended Board on the issue, the Liquidator has blatantly rejected the claim by email dated 27.01.2025.

4.15. The Corporate Debtor requested reconsideration by email dated 30.01.2025, but the

Liquidator failed to assess the claim and the genuine pre-existing disputes in the instant matter.

4.16. In particular, the emails dated 26.03.2025 and 05.04.2025 exchanged by the Suspended Board of the Operational Creditor with the Liquidator clearly reflects that the issues relating to the alleged dues and supporting documents were still under consideration and discussion. Furthermore, the letter dated 05.04.2025 is itself seriously disputed, and the contents thereof cannot be relied upon as the same lacks merit and credibility.

4.17. Thereafter, the Liquidator obtained leave under Section 33(5) of the Code on 02.07.2025 solely for the purpose of initiating recovery proceedings against the Corporate Debtor. It is pertinent to note that, ironically, the Corporate Debtor was not even made a party to the said Petition being IA (IBC) No. 42/GB/2025, which was filed for recovery thereby depriving the Corporate Debtor of the opportunity to contest the said proceedings. Furthermore, despite being fully aware of the pre-existing disputes between the parties, the Liquidator has proceeded to file the present petition, clearly demonstrating its mala fide intention to misuse the provisions of the Code as a recovery mechanism. The Corporate Debtor is a solvent and going concern, and the present Petition has been filed with the sole object of recovery rather than insolvency resolution, thereby attracting the provisions of Section 65 of the Code.

4.18. Furthermore, the invoices forming the basis of the present petition have not been annexed. In particular, the alleged invoices dated 22.11.2023 numbered 285 and 10.12.2023 numbered 286 were never issued to or served upon the Corporate Debtor, and no proof of service of the invoice has been furnished, thereby rendering the alleged claim wholly unsustainable.

4.19. The alleged confirmation of accounts lacks the seal and signature of the Corporate Debtor and cannot be relied upon. There is no confirmation of the alleged dues by the Operational Creditor ever.

4.20. As per the work orders, payment was subject to measurement and completion certificates, none of which have been produced. The Work Order specifically required deployment of machinery such as compactors, dumpers, and other requisite

equipment along with adequate manpower for execution and completion of the assigned works. It is submitted that no machinery or manpower was deployed beyond the stage of the last part payment, and no records, logs, or supporting documentation in that regard have been produced by the Operational Creditor. No documents have been produced to prove completion of work as per the work orders. The Operational Creditor must strictly prove execution of work through labour, machinery deployment, and certified measurement records

4.21. Despite knowledge of pre-existing disputes, the Liquidator wrongly stated under Section 9(3)(b) of the Code that no dispute was raised by the corporate debtor. The same itself violates the legal provision of the Code.

4.22. Thus pre-existing disputes regarding quality and breach existed well before the Section 8 demand notice dated 17.07.2025, making the Section 9 petition unsustainable. The disputes are purely contractual in nature, which cannot be adjudicated under proceedings under the Code. The Liquidator alleges date of default on 09.01.2024 without any supporting documents or explanation, as no record of default as required under Section 9 of the Code have been produced.

4.23. For pre-existing disputes, reliance has been placed on:

- ***Jain Irrigation Systems Ltd. v. Pragyawan Technologies Pvt. Ltd,****2023 SCC OnLine NCLAT 1087*
- ***Pravin Electricals Private Ltd. v. Akshaya Engineering Works Private Ltd.,*** *2025 SCC OnLine NCLAT 1210*
- ***Tirupati Drilling & Mining Services Pvt. Ltd. v. Sadbhav Engineering Ltd.,*** *2025 SCC OnLine NCLAT 1927)*
- ***Morex Corporation Ltd. v. Jindal Poly Films Ltd.,*** *2025 SCC OnLine NCLAT 1189)*

4.24. To argue against the misuse of the Code as a recovery mechanism, reliance has been placed on:

- ***HPCL Bio-Fuels Ltd. v. Shahaji Bhanudas Bhad,*** *2024 SCC OnLine SC 3190*
- ***Morex Corporation Ltd. v. Jindal Poly Films Ltd.,*** *2025 SCC OnLine NCLAT 1189*

4.25. Accordingly, it is submitted that the present Petition deserves to be dismissed with exemplary cost. In such circumstances, the Corporate Debtor respectfully prays that

this Hon'ble Tribunal be pleased to dismiss the Petition filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 seeking initiation of CIRP against the Corporate Debtor

5. **Submissions of the Applicant *vide* Additional Affidavit dated 02.05.2026:**

5.1. The present Additional Affidavit is filed by an Insolvency Professional, Purshotam Gaggar, who has been appointed as the Liquidator of Sree Bajrang Infracon Private Limited pursuant to the order dated 20.12.2024. He states that, by virtue of his position and on the basis of the records maintained by the company, he is acquainted with the facts and circumstances of the matter and is competent to affirm the present affidavit.

5.2. The object of the present Affidavit is to file proof that the Operational Creditor duly uploaded the following invoices issued to the Corporate Debtor and also deposited the CGST and SGST on the said invoices:

S.No.	Invoice No.	Invoice Date	Amount (in Rs)	Taxable Value	CGST (in Rs.)	SGST (in Rs.)
1.	77	05.12.2022	92,92,500	78,75,000	7,08,750	7,08,750
2.	79	21.12.2022	61,95,000	52,50,000	4,72,500	4,72,500
3.	84	26.12.2022	29,50,000	25,00,000	2,25,000	2,25,000
4.	85	28.12.2022	74,34,000	63,00,000	5,67,000	5,67,000
FY December 2022-23 (Sl No. 1+2+3+4)				**2,19,25,000**	**19,73,250**	**19,73,250**
5.	89	06.01.2023	68,14,500	57,75,000	5,19,750	5,19,750
6.	91	12.01.2023	92,18,160	78,12,000	7,03,080	7,03,080
7.	93	17.01.2023	1,18,00,000	1,00,00,000	9,00,000	9,00,000
FY January 2022-23 (Sl No. 5+6+7)				**2,35,87,000**	**2122830**	**2122830**
8.	95	01.02.2023	1,68,87,570	1,43,11,500	12,88,035	12,88,035
9.	285	22.11.2023	1,17,99,617	99,99,675	8,99,970.75	8,99,970.75
10.	286	10.12.2023	76,00,000	64,40,677.97	5,79,661.02	5,79,661.02
TOTAL			**8,99,91,347**	**7,62,63,852.97**	**68,63,746.77**	**68,63,746.77**

Copies of the Invoices, Form GSTR-1, Summary of GSTR-1 for Month of December 2022, January 2023, February 2023, November 2023, and December 2023 are annexed as "*Annexure A (colly)*", "*Annexure B (colly)*", "*Annexure C (colly)*", *Annexure D (colly)*", and *Annexure E (colly)*".

6. **Submissions of the Respondent *vide* its Reply to Additional Affidavit dated 20.05.2026:**

6.1. The Corporate Debtor first objects to the maintainability of the Operational Creditor's Additional Affidavit. It is submitted that on 26.02.2026, the Operational Creditor had categorically stated before the Tribunal that it did not intend to file a rejoinder and was ready to argue the matter. Despite this, the Operational Creditor subsequently filed an Additional Affidavit on 02.05.2026, without obtaining prior permission of the Tribunal and at a belated stage. The Corporate Debtor therefore contends that the Additional Affidavit ought not to be relied upon.

6.2. The Corporate Debtor submits that the Additional Affidavit does not specifically deny the material averments made in its earlier Affidavit-in-Reply. According to the Corporate Debtor, this failure to rebut its allegations amounts to an admission that pre-existing disputes existed between the parties before issuance of the Section 8 demand notice. The Corporate Debtor therefore maintains that the essential requirement for initiating proceedings under Section 9 of the IBC is not satisfied.

6.3. The principal defense is that there were serious, bona fide and pre-existing disputes concerning the contractual works well before the alleged demand notice. The Corporate Debtor states that the disputes relate particularly to the quality, completion and performance of the work undertaken by the Operational Creditor. It accordingly denies that the Operational Debt was an undisputed and crystallized debt capable of forming the basis of a Section 9 insolvency petition.

6.4. In response to the invoices relied upon by the Operational Creditor, the Corporate Debtor argues that merely producing invoices or showing the transactions in GST records does not establish that the contracted work was actually completed satisfactorily. According to the Corporate Debtor, such documents do not prove due execution and completion of the contracted works, acceptance of the work by the Corporate Debtor, absence of defects or deficiencies, or crystallization of an operational debt payable by the Corporate Debtor. The Corporate Debtor further argues that payment of CGST and SGST by the Operational Creditor is merely a statutory obligation and cannot constitute proof that the Corporate Debtor accepted

liability.

6.5. The Corporate Debtor points out that, under the work orders, payment was to be made according to the actual quantity and measurements of work executed. However, according to the Corporate Debtor, the invoices relied upon do not provide sufficient particulars regarding the nature and extent of work, quantities, rates or measurement details. They are also allegedly unsupported by work-completion certificates, measurement sheets or verification documents, which were required for processing payment. The Corporate Debtor therefore contends that the invoices were raised on an ad hoc basis and cannot, by themselves, establish a legally enforceable operational debt.

6.6. The Corporate Debtor states that disputes regarding the work arose during the subsistence of the contracts themselves, and were not manufactured after the demand notice. It claims that it repeatedly called upon the Operational Creditor to rectify defects and complete the pending work.

6.7. In particular, the Corporate Debtor relies upon written communications dated 28.02.2023 and 20.03.2023, by which it allegedly pointed out incomplete and defective work and called upon the Operational Creditor to fulfil its contractual obligations, failing which the work orders could be terminated.

6.8. A significant point relied upon by the Corporate Debtor is an email dated 07.03.2023, allegedly sent by the Operational Creditor itself. According to the Corporate Debtor, in that email the Operational Creditor admitted that soil filling, dressing, levelling and rolling work remained incomplete and requested its sub-vendor to complete the work so that final measurements could be undertaken. The Corporate Debtor argues that this constitutes an admission clearly establishes that the work had not been completed and had not yet been finally accepted or measured by the Corporate Debtor.

6.9. The Corporate Debtor further states that it subsequently appointed an independent surveyor, whose report dated 09.05.2023 allegedly found that the soil-filling work carried out by the Operational Creditor did not comply with the quality standards prescribed under the work orders. This report is relied upon to demonstrate that the dispute was genuine and concerned the substantive quality of the work, rather than

merely being a dispute created to avoid payment.

6.10. According to the Corporate Debtor, because of the Operational Creditor's repeated defaults and alleged abandonment of the work, it was compelled to engage an alternate contractor, Niranjan Sharma, to complete the remaining work. The Corporate Debtor claims that it incurred substantial additional expenditure in completing and rectifying the defective works. It therefore disputes the suggestion that the Operational Creditor is simply a creditor awaiting payment.

6.11. The Corporate Debtor argues that the Additional Affidavit does not contain proof that the alleged invoices were actually delivered to or acknowledged by the Corporate Debtor. It submits that the Operational Creditor's filing of GSTR-1 returns is only a unilateral statutory act and cannot amount to an acknowledgment of liability by the Corporate Debtor.

6.12. According to the Corporate Debtor, there is no document demonstrating that it accepted the invoices or admitted the alleged outstanding amount.

6.13. The Corporate Debtor contends that the Operational Creditor has failed to address or rebut the termination letters dated 17.06.2023, by which the work orders were allegedly terminated because of material breaches committed by the Operational Creditor.

6.14. The Corporate Debtor treats these termination letters as further evidence that a substantive contractual dispute existed between the parties concerning performance of the work.

6.15. The Corporate Debtor goes beyond simply disputing the alleged debt. It asserts that, because of defective and incomplete work, wrongful payments and consequential losses, amounts are actually recoverable from the Operational Creditor. The Corporate Debtor submits that the present insolvency proceedings are being used as a recovery mechanism, notwithstanding the existence of genuine and substantial contractual disputes. It relies on the principle that proceedings under Section 9 of the IBC cannot be used as a substitute for ordinary debt-recovery proceedings where a genuine pre-existing dispute exists.

6.16. On the cumulative basis of the above submissions, the Corporate Debtor argues that

the Additional Affidavit has failed to disprove or neutralize the pre-existing disputes. It therefore seeks dismissal of the Section 9 petition, contending that the petition is misconceived and liable to be dismissed in limine, with exemplary costs.

7. **Submissions by the Applicant *vide* Amended Written Notes:**

7.1. The Operational Creditor rendered various services to the Corporate Debtor pertaining to construction of retaining walls, excavation, earth moving, etc. pursuant to work order dated 21.11.2022 and 14.12.2022. Copies of the two work orders are annexed at *Pages 159* and *182* respectively.

7.2. Upon execution of the work, Operational Creditor raised various invoices and also duly deposited GST amounting to Rs. 1,37,27,493/- on the said invoices. Significantly, it is not the case of the Corporate Debtor that it did not avail the GST Input Tax Credit in relation to the GST paid on the invoices raised. Hence, the conduct of availing GST Input Tax Credit itself constitutes a clear acknowledgment of the transactions and liability arising therefrom.

7.3. The Corporate Debtor made repeated part-payments towards the outstanding dues from time to time, thereby unequivocally acknowledging the debt. However, a sum of Rs. 4,29,85,347/- as on 09.01.2024 remained outstanding.

7.4. This Hon'ble Tribunal *vide* order dated 12.01.2024 initiated CIRP against the Operational Creditor. When RP published Form A dated 17.01.2024 inviting claim from creditors, he also issued a demand notice dated 25.10.2024 to Corporate Debtor, which was returned with the remark "Refused". A copy of the demand notice enveloped with the "refused" remark is annexed to the amended written note as "*Annexure 1*".

7.5. Subsequently, liquidations proceedings were initiated *vide* order dated 20.12.2024 against the Operational Creditor. The Liquidator called upon the Corporate Debtor to clear the admitted outstanding dues *vide* letter dated 31.12.2024. However, the Corporate Debtor denied its liability *vide* reply dated 14.01.2025 and filed another claim dated 14.01.2025 alleging counter claims and damages. The Liquidator examined this claim and duly rejected it on 27.01.2025, which remains unchallenged thereby attaining finality. Consequently, the alleged claims and disputes now sought

to be raised stand conclusively demolished and cannot be re-agitated in the present proceedings.

7.6. This Hon'ble Tribunal granted permission to initiate legal proceedings against the Corporate Debtor for the outstanding dues of Operational Creditor *vide* order dated 02.07.2025. Subsequently, a demand notice dated 17.07.2025 was served upon the Corporate Debtor on 29.07.2025. Despite this, the Corporate Debtor neither repaid the outstanding debt, nor raised any dispute within the statutory period, nor sent any reply whatsoever to the demand notice, thereby establishing clear debt and default. The complete silence of Corporate Debtor after receipt of statutory notice clearly establishes absence of any genuine dispute.

7.7. The Operational Creditor argues the alleged dispute is legally non-existent. They contend that a perusal of the Reply shows that the alleged letters dated 28.02.2023, 20.03.2023 and 17.06.2023 are an afterthought to evade lability, as no such communication was ever served upon the Operational Creditor. The partial payment of Rs. 40, 00,000/- on 09.03.2024 by the Corporate Debtor further falsifies its defense, as no prudent entity would've made such a substantial payment in light of genuine complaints of defective work or dispute. Further the emails dated 26.05.2023 and WhatsApp communications dated 28.07.2023 demonstrate cordial business relations and complete absence of any dispute. Copies of the email and WhatsApp communication are annexed to the Petition at *Pages 248* and *258-260* respectively.

7.8. It is submitted that the Corporate Debtor has misleadingly relied upon an email dated 07.03.2023 allegedly exchanged between the Operational Creditor and one subcontractor named Md. Raihan. This email is said to be wholly irrelevant to the present proceedings and cannot constitute admission of defective work. In fact, the complete email chain including email dated 11.01.2023 intentionally concealed by the Corporate Debtor clearly establishes that this sub-contractor was deputed at the behest of the Corporate Debtor himself, thereby negating the Corporate Debtor's contention. Consequently, the attempt to attribute liability upon the Operational Creditor is wholly dishonest and misleading. A copy of the email dated 11.01.2023 is annexed to the Petition at *Pages 206-213.*

7.9. It is submitted that the alleged report dated 09.05.2023 was never communicated to the Operational Creditor, and has surfaced for the first time only along with reply to present Petition. It does not contain any supporting documents. Therefore, this report is entirely self-serving, inadmissible, and incapable of constituting a genuine dispute under Section 9 of the Code. Emails dated 09.12.2022, 10.12.2022, 17.12.2022, 24.12.2022, 11.01.2023, and 12.01.2023 which form a part of "*Annexure 13 (colly)*" of the main Petition reveal that all sub-vendors and sub-contractors were appointed strictly under the instructions and supervision of the Corporate Debtor itself.

Similarly, emails dated 17.12.2022, 24.12.2022, 26.12.2022, 06.01.2023, 12.01.2023, 31.01.2023 and 26.05.2024 clearly show Niranjan Sharma was appointed as sub-contractor as per the instructions of the Corporate Debtor. Consequently, the Corporate Debtor's contention that Niranjan Sharma was appointed via work orders dated 13.05.2023 and 30.09.2023 due to defective work allegedly executed by the Operational Creditor is ex-facie false and misleading. Moreover, the alleged work order dated 30.09.2023 is demonstrably fabricated as it contains bank details of Operational Creditor, exposing the falsity of the same. Moreover, these work orders were never communicated to the Operational Creditor. These work orders were entirely self-serving, inadmissible and incapable of constituting a genuine dispute under Section 9 of the Code.

7.10. The alleged legal notice dated 30.01.2024 relied upon by the Corporate Debtor is unsupported by any postal receipt, tracking report, proof of delivery or acknowledgment. In the absence of proof of service, the same is legally untenable and cannot be relied upon for establishing any pre-existing dispute.

7.11. The plea of the Corporate Debtor that Invoice Nos. 285 dated 22.11.2023 and 286 dated 10.12.2023 were never received is completely false as the same was neither raised in its reply dated 14.01.2025 nor in its Form - C dated 14.01.2025, and has been raised for the first time in the reply to the application. It is a matter of record that the Operational Creditor duly deposited GST on the said invoices and the Corporate Debtor has nowhere denied availing corresponding GST Input Tax Credit. Hence, the plea of non-receipt is therefore clearly an afterthought and liable to be rejected.

7.12. It is submitted that the Hon'ble Court in ***Mobilox Innovations Private Limited v. Kirusa Software Private Limited*** held that the Adjudicating Authority must reject an application only when there exists a "*plausible contention requiring investigation*" and not where the defense is spurious, hypothetical, illusory, or unsupported by evidence. The Hon'ble Supreme Court further held that patently feeble legal arguments or unsupported assertions cannot constitute a valid dispute under the Code. In the present case, the defense raised by the Corporate Debtor is entirely unsupported by contemporaneous record and is contrary to its own conduct of repeated payments, acknowledgment of liability and availing GST Input Tax Credit on invoices raised by the Operational Creditor. It is therefore respectfully submitted that this Hon'ble Tribunal be pleased to admit the present Petition and initiate CIRP against the Corporate Debtor.

8. Heard the Learned Counsel for the Parties and perused the pleadings, documents placed on record, including the Petition filed under Section 9 of the Insolvency and Bankruptcy Code, 2016, the Reply filed by the Corporate Debtor, and the Convenience Notes submitted by both parties.

FINDINGS AND ANALYSIS

9. At the outset, it may be noted that the jurisdiction of this Tribunal under Section 9 of the Code, read with Section 8, is summary in character and confined to limited enquiries—whether an operational debt exceeding the threshold is due and payable, whether the Corporate Debtor has defaulted in its payment, and whether a dispute in relation to the debt was pre-existing, i.e., in existence before the receipt of the demand notice under Section 8. This Tribunal is not required, at this stage, to adjudicate upon the truth or falsity of the rival contentions urged on merits. It is only required to examine whether the defense set up by the Corporate Debtor discloses a plausible contention which requires further examination, as opposed to one which is spurious, hypothetical, illusory, or unsupported by evidence.
10. It is not in dispute that the parties entered into a contractual relationship pursuant to work orders issued by the Corporate Debtor to the Operational Creditor in November-

December 2022 for excavation, soil filling and construction of a retaining wall and allied works at Sipajhar, Darrang, Assam. It is also not in dispute that invoices were raised by the Operational Creditor from time to time, that GST was deposited on such invoices, and that the Corporate Debtor made part payments towards the said invoices over the course of the contract.

11. The case of the Operational Creditor, briefly, is that a sum of Rs. 4,29,85,347/- remained outstanding as on 09.01.2024, and that the Corporate Debtor availed Input Tax Credit on the invoices raised, thereby acknowledging the underlying supply. It is contended that repeated part-payments, including a payment of Rs. 40,00,000/- as recently as 09.03.2024, were made towards the outstanding dues, and that the Corporate Debtor neither replied to the demand notice dated 17.07.2025 nor raised any dispute within the statutory period, which, in the submission of the Operational Creditor, is fatal to the defense now sought to be raised. Therefore, it is clear that threshold is more than Rs. 1 Crore and date of default is 09.01.2024 and this Petition under Section 9 is filed within limitation and within the jurisdiction of this Tribunal.

12. In regards to the existence of a pre-existing dispute, the Operational Creditor has filed an affidavit deposing the absence of a pre-existing dispute in the present proceedings. The Corporate Debtor has categorically resisted the present Petition with one of the principal grounds that there exists a pre-existing dispute which subsisted between the parties much prior to the issuance of demand notice dated 17.07.2025 under Section 8 of the Code.

13. Before proceeding with the facts, Reliance is placed upon ***Mobilox Innovations Private Ltd vs Kirusa Software Private Ltd***, *(2018) 1 SCC 353* wherein, the Hon'ble Supreme Court was pleased to hold, inter alia, as follows:

"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 defense which is mere bluster. However, in doing so, the Court does not need to be satisfied that the defense 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."

14. Reliance is placed upon two letters issued by the Corporate Debtor to the Operational Creditor— letters dated 28.02.2023 and 20.03.2023 raising dispute pertaining to poor quality of soil filing work at Sipajhar, and construction of retaining wall. Further reliance is placed upon the Operational Creditor's own email dated 07.03.2023 to its sub-vendor which is an admission of incomplete work on their behalf. Relevant extracts from the letter dated 20.03.2023 reads, "*There has been no physical improvement on site. Soil dressing, rolling activities, levelling jobs all remaining pending and stacks of soil have been left dumped at various sections*". In the same letter, the Operational Creditors were warned about their impending termination of the work orders as it read, "*If we do not find improvements on site within the next 15 days, we will be forced to cancel your last bill dated 1st February 2023 of Rs. 1,68,87,570. Furthermore, we will be forced to terminate your work order and re-allocate this job to some other vendor, and claim refund of the advance payments made to you".* Copies of the aforementioned letters and email are annexed to the Petition at *Pages 79-83*.
15. Further reliance was placed upon an independent surveyor's report dated 09.05.2023 which found the work deficient. It was alleged to be below prescribed quality standards due to the use of substandard and inconsistent fill material, compaction below 90% of Proctor Density, non-compliance with the maximum 300 mm thickness requirement, lack of proper DPR documentation, and inadequate adherence to prescribed quality norms. Consequently, the Corporate Debtor terminated the work orders of the Operational Creditor by letter dated 17.06.2023, following which the Corporate Debtor engaged an alternate contractor at a cost of Rs. 4,14,09,836/-. Additionally, a legal notice dated 30.01.2024 was issued calling upon the Operational Creditor to refund amounts already paid pursuant to termination of work orders. According to the Corporate Debtor, these facts establish that a genuine, pre-existing dispute as to the quality, completion and value of the work existed well before the Section 8 demand notice dated 17.07.2025. Copies of

the aforementioned letters and legal notice are annexed to the Petition at *Pages 84-88*. A copy of the independent surveyor's report is annexed to the Affidavit-in-Reply dated 12.12.2025 as "*Letter A*".

16. A perusal of the record shows that the correspondence and documents relied upon, namely, the letters of 28.02.2023 and 20.03.2023, the surveyor's report of 09.05.2023, the termination letters of 17.06.2023, and the legal notice of 30.01.2024 are, on their face, dated well before the CIRP of the Operational Creditor itself commenced, that is, on 12.01.2024, and nearly two years before the Section 8 notice dated 17.07.2025.
17. More significantly, the Corporate Debtor's reply dated 14.01.2025 to the Liquidator's demand of Rs. 4,29,85,347 vide letter dated 31.12.2024, and its counter claim of Rs. 2,61,05,984/- lodged before the Liquidator on 13.01.2025, both predate the Section 8 demand notice by approximately six months, and record substantially the same grievances that are now urged in defense of the present petition. It cannot, therefore, be said on the face of the record that the dispute has been conjured up only in response to, or after, the statutory demand notice. A copy of the counter claim to the Liquidator is annexed to the Petition at *Pages 52-88.* A copy of the reply letter dated 14.01.2025 is annexed to the Petition at *Pages 89-122.*
18. The Operational Creditor has, in turn, seriously contested the genuineness of this documentary trail. It is contended that the letters dated 28.02.2023, 20.03.2023 and 17.06.2023 were never served upon it. It was further argued that the surveyor's report of 09.05.2023 surfaced for the first time only with the Affidavit-in-Reply and is unsupported by any contemporaneous communication to the Operational Creditor. Furthermore, it is alleged that the work order said to have been issued in favour of the alternate contractor, Niranjan Sarma, dated 30.09.2023, is disputed as fabricated inasmuch as it bears the Operational Creditor's own bank details, and that the plea regarding non-receipt of Invoice Nos. 285 and 286 was never raised either in the Corporate Debtor's reply dated 14.01.2025 or in its Form-C claim of the same date, and surfaces for the first time in the reply to the present petition. A copy of the alternative work orders in favour of Niranjan Sharma are attached to the Reply dated 12.12.20225 as "*Letter B*".
19. These are matters going to the authenticity, service and provenance of the documents on

which the defense of pre-existing dispute is founded. Whether the letters dated 28.02.2023 and 20.03.2023 were in fact served on the Operational Creditor; whether the surveyor's report was ever communicated; whether the work order dated 30.09.2023 is genuine; and whether the sub-vendors and the alternate contractor were engaged at the instance of the Corporate Debtor or consequent upon the Operational Creditor's default, are all questions that turn on an appreciation of disputed documentary and, potentially, oral evidence. Such an exercise is outside the summary jurisdiction conferred on this Tribunal under Section 9 of the Code, and is properly the subject matter of a civil suit or arbitration, as the case may be, where the parties may lead evidence and test the authenticity of the rival documents.

20. The Operational Creditor's reliance on the Corporate Debtor's conduct has been considered, particularly, availing of Input Tax Credit on the invoices, the part-payment of Rs. 40,00,000/- on 09.03.2024, and the absence of any reply to the Section 8 notice dated 17.07.2025. These circumstances are undoubtedly relevant and will bear upon the eventual adjudication of the parties' rival money claims. However, none of them is, by itself, conclusive of the absence of a dispute at this threshold stage. Availing of Input Tax Credit reflects a statutory entry consequent upon invoices being uploaded on the GST portal. Nevertheless, it does not amount to an admission that the underlying work was completed to the satisfaction of the recipient. A part-payment on a running or part-executed contract is similarly not inherently inconsistent with a simultaneous dispute over the quality or completion of the balance work, particularly where the Corporate Debtor's case is that payments were made for work actually measured and accepted, while the balance was withheld and set off against the cost of engaging an alternate contractor. Nor does the Corporate Debtor's silence in response to the Section 8 notice extinguish a dispute that is otherwise demonstrable from the record predating that notice.
21. The rejection of the Corporate Debtor's claim by the Liquidator on 27.01.2025, and the fact that such rejection was not formally assailed thereafter, has been urged by the Operational Creditor as attaining finality. This Tribunal is unable to accept that submission at this stage. The rejection of a claim by a liquidator, in the course of the claims-verification process in the liquidation of the Operational Creditor, is an exercise

undertaken by the liquidator in that capacity and for that limited purpose. But it does not operate as an adjudication of the underlying contractual dispute between the Operational Creditor and the Corporate Debtor, nor does it foreclose the Corporate Debtor's right to raise the same dispute in its defense to the present petition.

22. Similarly, the order dated 02.07.2025 granting the Liquidator leave under Section 33(5) of the Code to initiate proceedings against the Corporate Debtor, on its own terms, permitted the initiation of legal proceedings. It did not adjudicate upon or pre-empt the question of maintainability of the present petition under Section 9, which falls to be examined independently.

23. Having regard to the cumulative facts noted above, specifically—

    23.1. the existence of a contemporaneous documentary trail spanning February 2023 to January 2024, predating the Section 8 notice dated 17.07.2025 by well over a year;

    23.2. the Corporate Debtor's reply dated 14.01.2025 and its claim before the Liquidator dated 13.01.2025, both of which record the very disputes now pressed in defense and both of which predate the Section 8 notice;

    23.3. the substantial and specific nature of the counterclaim raised by the Corporate Debtor, supported by bank statements reflecting payments of over Rs. 4.14 crore to an alternate contractor; and

    23.4. the genuinely disputed questions concerning the authenticity and service of the documents relied upon by both sides.

    This Tribunal is of the view that the defense raised by the Corporate Debtor cannot be characterized as spurious, hypothetical, illusory, or a moonshine defense set up merely to avoid liability. At the least, it discloses a plausible contention that requires further investigation into disputed questions of fact, which this Tribunal, exercising summary jurisdiction under Section 9 of the Code, is not the appropriate forum to undertake.

24. It is clarified that the observations made hereinabove are confined to the limited question of maintainability of the present petition under Section 9 of the Code, and are not, and shall not be construed as, any expression of opinion on the merits of the rival money claims of the parties, including the correctness or otherwise of the invoices raised by the Operational Creditor, the alleged breaches attributed to it, or the quantum of the

counterclaim asserted by the Corporate Debtor.

25. As regards the Corporate Debtor's prayer for action against the Liquidator and the erstwhile suspended directors under Section 65 of the Code, this Tribunal does not consider it necessary or appropriate to record any finding thereon in the present proceedings, the material on record not being sufficient, at this stage, to return a conclusive finding of malicious or fraudulent initiation of the proceedings.
26. In view of the foregoing, this Tribunal is satisfied that a genuine, pre-existing dispute existed between the parties prior to the issuance of the demand notice dated 17.07.2025, and that the present petition, in its present form, is not maintainable under Section 9 of the Code.

ORDER

1. The above Company Petition bearing CP (IB)/31/GB/2025 is hereby **DISMISSED** under Section 9 of the Code.
2. Accordingly, the **CP (IB)/31/GB/2025** stands **DISPOSED OF.**
3. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel.
4. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.
5. File be consigned to records.

Sd/-
Yogendra Kumar Singh
Member (Technical)

Sd/-
Rammurti Kushawaha
Member (Judicial)

Signed this on 9th day of September, 2026

Madona Barman (L.R.A)