IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT-V NEW DELHI BENCH

IN

COMPANY PETITION (IB) NO. 616/ND/2025

An Application under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

IN THE MATTER OF:

M/S GLOBAL SURVEYORS
Through its Proprietor
Smt. Ratna Chattaraj
Address: Puspanjali, Searsole,
Babupara P.O. - Searsole Rajbari,
Burdwan West Bengal, India, Pin-713358

…Applicant /Operational Creditor

Versus

WAPCOS LIMITED
Address: 5th Floor Kailash,
26 Kasturba Gandhi Marg,
New Delhi, Delhi, India, Pin-110001

…Respondent/Corporate Debtor

Order Delivered on: 03.09.2026

CORAM:

SHRI MANNI SANKARIAH SHANMUGA SUNDARAM,
HON’BLE MEMBER (JUDICIAL)

MS. REENA SINHA PURI,
HON'BLE MEMBER (TECHNICAL)

APPEARANCES:

For the Applicant:	CS Anjan Kumar Roy, PCS, CS Sandip Paul, PCS.
For the Respondent	Adv. Tushar Sannu, Adv. Priyankar Tiwary, Adv. Pulak Gupta Joshi, Adv. Mohit Bhardwaj along with Mr. Rajat Jain & Mr. Ashish for CD

ORDER

1. This Application is filed, by M/s Global Surveyors, hereinafter referred as Operational Creditor/Petitioner), against WAPCOS Limited, hereinafter referred as Corporate Debtor (CD/ Respondent), seeking initiation of CIRP[1] under Section 9 of the IBC[2]. It is claimed by the OC/ Petitioner that CD/ Respondent has committed default in payment of operational debt of Rs. 1,07,83,495.

Submissions by the Operational Creditor

2. The relevant facts, as pleaded by the Operational Creditor, are that it was engaged in providing surveyor services. The Corporate Debtor issued tenders from time to time inviting bids from service providers. The Operational Creditor participated in the said tender process and was engaged for providing surveyor services in respect of four projects. Agreements were executed between the parties and work orders/letters of award were issued by the Corporate Debtor in favour of the Operational Creditor against the fee payable for such services.

3. It is the case of the Operational Creditor that it carried out the survey work and raised four bills dated 28.03.2022. The Corporate Debtor made certain payments against the said bills, not against any specific bill but by way of lump-sum payments, namely, Rs. 12,00,527 on 18.10.2022 and Rs. 9,08,871 on 09.02.2023. It is further stated that the Corporate Debtor also made payment of Rs. 18,82,354.78 towards GST.

4. The Operational Creditor further submits that the Corporate Debtor confirmed six bills vide email dated 21.11.2023. In all, the Operational Creditor claims to have issued eleven bills, as mentioned in Part IV of the Application. According to the Operational Creditor, there is no dispute in respect of the outstanding bills forming the basis of the present Application. The Operational Creditor issued a Demand Notice in Form-3 dated 31.07.2025, and thereafter filed the present petition.

[1] Corporate Insolvency Resolution Process.
[2] Insolvency and Bankruptcy Code.

Submissions by Corporate Debtor

The Corporate Debtor, a Mini-Ratna Government of India Undertaking, has opposed the Application. It is submitted that the Operational Creditor is seeking to invoke the insolvency framework as a recovery mechanism for disputed contractual claims, which is impermissible under the Code. The Corporate Debtor has raised a preliminary objection as to maintainability on the ground that there existed a pre-existing dispute between the parties regarding performance of the contracts and recovery for incomplete work.

6. The Corporate Debtor relies upon Clause 4 of Annexure-B to the Agreement to contend that the Operational Creditor is not entitled to payment for defective and incomplete work. It is submitted that the Corporate Debtor had communicated with the Operational Creditor vide letters/emails dated 13.10.2023, 31.07.2024, 01.08.2024, 06.08.2024, 24.02.2025 and 27.05.2025 regarding unsatisfactory quality of deliverables. According to the Corporate Debtor, the work performed by the Operational Creditor was consistently found to be inaccurate, incomplete and non-compliant with the scope of work defined in the Terms of Reference.

7. The Corporate Debtor has further contended that the claim of the Operational Creditor arises out of multiple distinct work orders. Each work order, according to the Corporate Debtor, constitutes a separate contract entered into at different points of time with different scopes of work and gives rise to a separate cause of action. It is asserted that no individual contract meets the threshold of Rs. 1 crore prescribed under Section 4 of the Code, and that the Operational Creditor has improperly clubbed separate alleged defaults to maintain the present petition.

8. It is also submitted by the Corporate Debtor that certain invoices are barred by limitation. According to the Corporate Debtor, the four bills dated 28.03.2022 were submitted on 31.03.2022, whereas the present petition was instituted on 21.11.2025. It is contended that any claim beyond three years from the accrual of the right to apply is barred under Article 137 of the Limitation Act, 1963. The Corporate Debtor has further stated that two bills contain incorrect outstanding amounts when compared with the actual

invoice values and that there is no acknowledgment of liability on record so as to extend limitation.

9. The Corporate Debtor has also submitted that the Operational Creditor failed to validly serve the Demand Notice under Section 8 of the Code at the email address of the concerned official with whom the parties were in direct communication. It is stated that the email address used by the Operational Creditor was incorrect and, therefore, there was no valid or actual service of the Demand Notice. It is further contended that the Operational Creditor failed to place on record the requisite particulars and evidence regarding the date on which the debt became due, the date of default, and the dates of part-payments, as required under Regulation 2D read with Section 9 of the IBC.

10. The Corporate Debtor has specifically referred to Work Order No. WAP/KOL/HMC/2022-23/877 dated 26.09.2022, and submits that it had emailed the Operational Creditor seeking rectification of errors, which the Operational Creditor failed to cure despite acknowledgment. It is submitted that Clause 4 of Appendix-B to the Agreement bars payment until deficiencies are rectified. The Corporate Debtor further submits that adjudication of the claims would require examination of documents, evidence and correspondence, which falls outside the limited jurisdiction of this Adjudicating Authority under Section 9 of the Code. It is also stated that the Corporate Debtor is a solvent, ongoing and functioning Public Sector Undertaking, and that any non-payment or delay in payment arises out of contractual disputes.

Rejoinder by the Operational Creditor

11. The Operational Creditor has denied the averments made by the Corporate Debtor. It is submitted that the letter dated 27.05.2025 was never received by the Operational Creditor and that the documents attached therewith are false and fabricated. The Operational Creditor further submits that the matter is not an ordinary civil or contractual dispute, and denies the existence of any pre-existing dispute. According to the Operational Creditor, the Corporate Debtor has suppressed material facts and disclosed only part of the communications exchanged between the parties.

12. The Operational Creditor further contends that after February 2025, the Corporate Debtor did not seek any rectification or make any adverse comment on the work performed. The Demand Notice was issued on 31.07.2025, and thereafter payments were allegedly made in two instalments on 16.12.2025 and 19.12.2025. The Operational Creditor submits that the Corporate Debtor has not withheld payment on account of any dispute and denies that the work performed was inaccurate or contrary to the scope of work.

13. On limitation, the Operational Creditor submits that all four bills were acknowledged by the Corporate Debtor vide email dated 21.11.2023, thereby giving rise to a fresh period of limitation. It is submitted that the petition was filed on 24.10.2025 and is therefore within limitation. The Operational Creditor also submits that the Demand Notice was properly served at the email addresses available in the master data of the Corporate Debtor and that the due date, date of default and dates of part-payment have been duly mentioned in Form-5.

Analysis and findings

14. We have heard learned counsel for the Operational Creditor and learned counsel for the Corporate Debtor and have perused the averments made in the petition, the reply filed by the Corporate Debtor, the rejoinder filed by the Operational Creditor and the written submissions filed by the parties. Since the registered office of the Corporate Debtor is situated in Delhi, this Tribunal has territorial jurisdiction to entertain the present petition seeking initiation of CIRP against the Corporate Debtor under Section 9 of the IBC.

15. The Hon'ble Supreme Court *in Mobilox Innovations Private Limited v. Kirusa Software Private Limited, (2018) 1 SCC 353*, has held that while examining an application under Section 9 of the Code, the Adjudicating Authority is required to determine whether there is an operational debt exceeding the statutory threshold; whether the documentary evidence shows that the debt is due and payable and has not been paid; and whether there exists a dispute between the parties or record of pendency of a suit or arbitration proceeding filed before receipt of the demand notice in relation to such dispute. If any one of these conditions is lacking, the application is liable to be rejected.

16. In light of the pleadings and submissions advanced by both sides, the principal issue which arises for consideration is whether there existed a pre-existing dispute between the Operational Creditor and the Corporate Debtor prior to issuance of the Demand Notice dated 31.07.2025.

17. The expression 'existence of dispute' has been consistently interpreted to mean a genuine dispute which was raised prior to issuance of the demand notice. Such dispute need not necessarily be in the form of a pending suit or arbitration proceeding; it may also be discerned from correspondence between the parties concerning the existence of debt, quality of goods or services, or breach of contractual obligations.

18. In the present case, the Corporate Debtor has placed reliance upon correspondence showing that issues had been raised regarding incomplete and unsatisfactory work performed by the Operational Creditor. The record shows that the Corporate Debtor had raised issues regarding the services vide email[3] dated 13.10.2023, to which the Operational Creditor responded vide email dated 18.10.2023. This demonstrates that issues relating to performance of work were within the knowledge of both parties well before issuance of the Demand Notice.

19. It is also borne out from the record[4] that meetings between the parties took place on 19.03.2024 and 19.04.2024, wherein rectification of work was discussed and payment was linked to completion of 100% of the work in terms of the Agreement. Further, the Operational Creditor claimed execution of certain items vide email dated 27.07.2024. The Corporate Debtor, vide email[5] dated 31.07.2024, acknowledged certain execution but also highlighted that the awarded work remained incomplete. Similar concerns were thereafter reiterated through communications dated 01.08.2024, 06.08.2024, 24.02.2025 and 27.05.2025, concerning unsatisfactory execution, non-response to requests for rectification and reasons for withholding payment.

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[3] Annexure R/3 of the Reply at Page no. 49
[4] email dated 06.08.2024, Annexure R/3 of the Reply at Page No. 45-46
[5] Annexure C of the Rejoinder at Page no. 29

20. The aforesaid correspondence clearly predates the Demand Notice dated 31.07.2025. The material placed on record therefore shows that the Corporate Debtor had raised issues concerning the quality, completeness and contractual compliance of the work prior to issuance of the Demand Notice. These communications cannot be brushed aside as afterthoughts or moonshine defences raised only to evade payment.

21. The Operational Creditor has denied the allegations of defective or incomplete work and has also disputed receipt of certain communications. However, at the stage of Section 9 proceedings, this Adjudicating Authority is not required to conduct a detailed adjudication into the correctness of rival contractual claims. The limited enquiry is whether there exists a plausible contention requiring further investigation and whether the dispute is not a patently feeble legal argument or unsupported assertion.

22. On the material placed before us, the dispute raised by the Corporate Debtor cannot be said to be illusory or unsupported. The correspondence between the parties indicates that the dispute pertains to the quality and completeness of services rendered, as well as the entitlement of the Operational Creditor to payment under the terms of the relevant work orders and agreements. Such issues would require examination of contractual terms, deliverables, correspondence, and evidence, which cannot be undertaken in a summary proceeding under Section 9 of the IBC.

23. In view of the above, we are satisfied that a pre-existing dispute existed between the parties prior to issuance of the Demand Notice. Once such dispute is found to exist, the conditions for admission of an application under Section 9 of the IBC are not fulfilled.

24. In view of our finding on pre-existing dispute, it is not necessary to examine in detail the other objections raised by the Corporate Debtor. The Code cannot be invoked as a substitute for recovery proceedings in respect of disputed contractual claims. The Operational Creditor is at liberty to pursue such remedies as may be available to it in accordance with law before the appropriate forum.

5. In view of the foregoing discussion, we find no merit in **Company Petition IB-616/ND/2025**. The petition is accordingly **dismissed**.

Sd/-	**Sd/-**
(REENA SINHA PURI)	**(MANNI SANKARIAH SHANMUGA SUNDARAM)**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**