IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT-I

CP (IB) No. 279 (MB) 2025

An application under section 9 of the Insolvency and Bankruptcy Code, 2016, and Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016

In the matter of;

MANLIFT INDIA PVT. LTD …Operational Creditor/Applicant

Versus

SHAPOORJI PALLONJI AND COMPANY PVT. LTD

…Corporate Debtor/Respondent

Order Pronounced on 04.11.2026

Coram:

Sh. Prabhat Kumar	**Sh. Sushil Mahadeorao Kochey**
Hon'ble Member (Technical)	Hon'ble Member (Judicial)

Appearances:

For the Operational Creditor	:	Adv. Gaurav Suryavanshi a/w Adv. Anushka Bhosale
For the Corporate Debtor	:	Adv. Ahmed Padela a/w Adv. Giripriya Pai i/b Law Point

ORDER

BRIEF FACTS OF THE CASE:

1. The present Company Petition (IB) No. 279 (MB) of 2025, was filed on 05-12-2024, under Section 9 of the Insolvency and Bankruptcy Code, 2016 ('IBC') by MANLIFT INDIA PRIVATE LIMITED, (hereinafter referred to as the

'Operational Creditor /Applicant') seeking to initiate Corporate Insolvency Resolution Process ('CIRP') against SHAPOORJI PALLONJI AND COMPANY PVT. LTD ("hereinafter referred to as the Corporate Debtor/Respondent").

2. The Applicant is a company incorporated on 08.09.2010 under the provisions of the Companies Act, 1956, bearing CIN: U74210DL2010FTC208023, and having its registered office at 207, Suchet Chamber, 1224/5, Bank Street, Naiwala, Karol Bagh, Central Delhi, New Delhi, Delhi – 110005. The Applicant is engaged in the business of leasing, selling and servicing of aerial work platforms and/or mobile elevating work platforms.
3. The Corporate Debtor is a company incorporated on 23.01.1943, bearing CIN: U45200MH1943PTC003812, and having its registered office at 70, Nagindas Master Road, Fort, Mumbai, Maharashtra – 400023. The authorised share capital of the Corporate Debtor is Rs.40,00,00,00,000/- (Rupees Forty Thousand Crore Only), and its paid-up share capital is Rs.29,25,46,19,540/- (Rupees Two Thousand Nine Hundred Twenty-Five Crore Forty-Six Lakh Nineteen Thousand Five Hundred and Forty Only).

SUBMISSIONS OF THE APPLICANT:

4. The Corporate Debtor engaged the Operational Creditor for carrying out composite works involving civil and structural work, along with the hiring of equipment, in connection with various projects undertaken by the Corporate Debtor at different locations across India, including Delhi, Bengaluru, Assam, Ranchi, Rajasthan, Ladakh, Uttar Pradesh and Bihar, amongst others. In this regard, the Corporate Debtor assigned the work to the Operational Creditor by issuing multiple Work Orders and Letters of Intent ("LOIs") on different dates.
5. The Operational Creditor carried out the assigned works at various locations across India and raised invoices towards the payments due for the work executed. The project-wise details of the outstanding amounts claimed by the

Operational Creditor, inclusive of interest, in respect of the said works are set out below:

Sr. No	Particular of the Work (Project)	Number of invoices Generated	Total outstanding amounts Dues as on 31.07.2024 (In Rs.) (including interest)
1.	New Passenger Terminal Building Petrapole Baongaon North 24pgs WB West Bengal WB 743405, State Code, 19	2	Rs. 9,52,118/-
2.	S.R.S. Road, Uzanbazar, Guwahati Kamrup Metropolitan Assam AS 781001	14	Rs. 11,55,591/-
3.	Amity University, Jharkhand KoI-Civil & MeP Ranchi Jharkband Jharkhand JH 835303. State Code, 20 India	3	Rs. 7,52,916/-
4.	Convention Centre Guwahati, Assam Convention Centre cum State Guest House Guwahati, Assam Assam AS 781001, State Code, 18	18	Rs. 10,40,388/-
5.	HOM GE Locomotive, Bihar HOM-GE Diesel Locomotive Bihar Design and Construction of Diesel Loco, Vill-Bajid Bhoraha &Talpuraina Chapra, Marhowra Bihar BR 841418, State Code, 10	4	Rs. 7,27,180/-

6.	Inter State Bus Terminal, Buidco Patna Bihar BR 800020. State Code, 10	4	Rs. 5,43,160/-
7.	KOL Terminal Building Guwahati Airport Civil, MEP & Airport, New Integrated Terminal Building Guwahati Assam AS 781015, State Code, 18	7	Rs. 10,89,840/-
8.	Airport Authority of India Leh Airport, Leh, Ladakh, Ladakh LD 194101, State Code, 38	27	Rs. 10,95,113/-
9.	Central Vista Project Division - III CPWD, Development / Redevelopment of Central Vista Avenue At Rajpath New Delhi - 11001	6	Rs. 18,90,819/-
10.	IKEA India Pvt Ltd. Survey No-12 & 13, Banglore Karnataka	9	Rs. 19,49,462/-
11.	Dera Baba Nanak, Kartarpur Corridor Project District Gurdaspur, Punjab - 143604	43	Rs. 94,08,070/-
12.	DELHMEL, Civil, Structural & U/G Piping Shapoorji Pallonji and Co. Pvt Ltd C/o. M/s HMEL, Vill. Phulokhari. Taluka Talwandi Saboo Bathinda – 151301, Punjab – India	39	Rs. 1,82,50,018/-

13.	Re-Development of ITPO Complex into Integrated Exhibition Cum Convention Centre (IECC), Pragati Maidan Delhi Delhi 110001, State Code, 07	41	Rs. 1,03,82,719/-
14.	GE Diesel Locomotive Shed - Roza, Uttar Pradesh	16	Rs. 56,69,332/-
15.	GE Diesel Locomotive Chhapra, Bihar	1	Rs. 1,43,158/-
	Total	**234**	**Rs. 5,53,28,933/-**

6. The Operational Creditor submits that, pursuant to the Work Orders/Letters of Intent (LOIs), it duly supplied the requisite equipment in accordance with the agreed specifications and obtained the necessary approvals from the Corporate Debtor. Upon completion of the assigned work, the Operational Creditor raised and submitted the corresponding invoices for payment. However, the Corporate Debtor failed to clear the invoices within the stipulated time, resulting in the outstanding dues claimed in the present Application.
7. The Operational Creditor submits that it made repeated requests to the Corporate Debtor for payment of the outstanding operational debt. In this regard, the Operational Creditor addressed multiple emails to the Corporate Debtor between July 2023 and January 2024, the last such email being dated 16.01.2024. However, the Corporate Debtor failed to discharge the outstanding dues.
8. The Operational Creditor issued a demand notice dated 17.09.2024 under Section 8 of the Insolvency and Bankruptcy Code, 2016, demanding payment of the outstanding operational debt of Rs.5,53,28,933/- (Rupees Five Crore Fifty-Three Lakh Twenty-Eight Thousand Nine Hundred and Thirty-Three Only), calculated as on 31.07.2024. The said amount comprised a principal sum of Rs.3,83,10,481/- (Rupees Three Crore Eighty-Three Lakh Ten Thousand

Four Hundred and Eighty-One Only) and interest of Rs. 1,70,18,452/- calculated at the rate of 18% per annum. The demand notice was served upon the Corporate Debtor through Speed Post on 21.09.2024 and also through email on the same date. It is submitted that the Corporate Debtor neither responded to the said demand notice nor cleared the outstanding dues in full, but made a partial payment of Rs.6,00,000/- towards certain invoices, while the default in respect of the remaining outstanding amount continued.

9. The Operational Creditor submits that the invoices raised were running invoices, with the last invoice having been issued on 06.07.2024, allowing a credit period of 30 days for payment. Accordingly, the date of default is stated to be 05.08.2024.

10. The Applicant filed an Additional Affidavit dated 01.04.2025, in compliance with this Tribunal's order dated 25.03.2025, furnishing invoice-wise particulars of invoices falling within and outside the period covered by Section 10A of the IBC, 2016. The Applicant also submitted a revised and updated Form 5. As per the Additional Affidavit, there are total 156 invoices falling outside the period prescribed under Section 10A involve a total invoice amount of Rs.2,45,29,647/-, with outstanding dues of Rs.2,93,23,932/- inclusive of interest. Further, 72 invoices falling within the said period involve a total invoice amount of Rs.1,44,57,984/- with outstanding dues of Rs.2,43,55,953/- inclusive of interest. Additionally, 6 invoices were issued during the period prescribed under Section 10A, but the default in payment occurred after the expiry of the said period. These invoices aggregate to Rs.10,31,556/-, with outstanding dues of Rs.16,49,052/- inclusive of interest.

11. Thereafter, the Applicant filed its Rejoinder dated 26.05.2025 in response to the Affidavit-in-Reply filed by the Corporate Debtor, wherein it denied the averments and contentions raised by the Corporate Debtor to the extent that they were contrary to or inconsistent with the contents of the Application filed under Section 9 of the Insolvency and Bankruptcy Code, 2016, and the Affidavit-in-Support thereof. The Applicant further contended that the Affidavit-in-Reply

was devoid of merit and failed to rebut the case made out in the Application. The Applicant further submitted as follows:

11.1. The Corporate Debtor had acknowledged the services rendered by the Operational Creditor and the invoices raised in respect thereof. Further, the Corporate Debtor had neither raised any objection regarding the services provided or the invoices issued during the course of engagement nor filed any reply to the Demand Notice under Section 8(1) of the Code, as contemplated under Section 8(2) thereof.

11.2. The invoices forming part of the Application were raised within the period of limitation, considering the orders passed by the Hon'ble Supreme Court in Re: Cognizance for Extension of Limitation, ***Suo Motu Writ Petition (C) No. 3 of 2020***, whereby the period from 15.03.2020 to 28.02.2022 was directed to be excluded while computing limitation. The Applicant further submitted that the Corporate Debtor had acknowledged the outstanding dues by making a part payment of Rs. 6,00,000/-, including after service of the Demand Notice under Section 8 of the Code. Further, the payment was adjusted towards the oldest outstanding dues and relied upon Section 19 of the Limitation Act, 1963, as well as the decisions in ***Super Floorings Pvt. Ltd. v. Napin Impex Ltd., Company Appeal (AT) (Ins.) No. 1928 of 2025,*** and In ***Style Fashion v. Aditya Birla Fashion & Retail Ltd., Company Appeal (AT) (Ins.) No. 1679 of 2023,*** in support of its submissions on limitation and acknowledgment of debt. Accordingly, the Applicant submitted that the Corporate Debtor's objection regarding limitation was untenable and liable to be rejected.

11.3. The Applicant had raised invoices in accordance with the agreed Work Orders and complied with the applicable GST requirements by filing the prescribed returns and depositing the

GST on the transactions. Further, to pay the outstanding invoices, the Corporate Debtor had availed the corresponding input tax credit, thereby placing an additional financial burden on the Applicant. The Applicant further argued that the Corporate Debtor's availment of such input tax credit demonstrated its acknowledgment of the transactions and that, having derived the benefit thereof, the Corporate Debtor could not subsequently dispute the dues on the grounds of limitation or existence of a dispute.

11.4. The Corporate Debtor had neither replied to the Demand Notice issued under Section 8(1) of the Code nor communicated any dispute in terms of Section 8(2) thereof. Applicant contended that the email dated 11.04.2023 relied upon by the Corporate Debtor was misinterpreted, as no dispute had been raised therein or in any contemporaneous communication. The Applicant further submitted that the objections regarding limitation and pre-existing dispute were afterthoughts raised to evade payment of the outstanding operational debt.

11.5. Although the invoices pertained to different sites and work orders, all services were rendered to the same Corporate Debtor and the outstanding amounts were payable by it. It contended that the invoices could be clubbed to ascertain the total operational debt and relied upon the decisions in ***Automark Industries (India) Private Limited v. Sadbhav Engineering Limited***, ***A2 Interior Products Private Limited v. Ahluwalia Contracts (India) Ltd.*** and ***Warn India Private Limited v. SN Engineering Services Pvt. Ltd***. in support of its contention that claims arising from different work orders could be included in a single application.

11.6. The interest on delayed payments was contractually agreed upon and could be clubbed with the principal amount for determining

the operational debt. Relying upon ***Prashant Agarwal v. Vikash Parasrampuria & Anr., Company Appeal (AT) (Ins.) No. 690 of 2022***, dated 15.07.2022, it contended that the interest component formed part of the debt under the Code. The Applicant further submitted that the principal amount itself exceeded the threshold of Rs. 1 crore under Section 4 of the Code, even without including interest, and relied upon ***Punjab & Sind Bank v. Supertech Township Projects Limited***, order dated 12.07.2024, in support of the maintainability of the Application.

11.7. The Corporate Debtor had defaulted in payment of the operational debt legally due and payable, and that the objections raised in its Affidavit-in-Reply were frivolous and intended to delay the proceedings. Applicant contended that the Corporate Debtor had failed to establish any pre-existing dispute or bar of limitation and had made part-payments even after service of the Demand Notice. Accordingly, the Applicant submitted that the requisite conditions under Section 9 of the Code were satisfied, the debt exceeded the prescribed threshold, and no valid ground existed to reject the Petition. It therefore prayed for admission of the Application and grant of the reliefs sought therein.

12. Further, the Applicant filed an Additional Affidavit dated 12.09.2025 to place on record Form D dated 21.04.2025 issued by NeSL, recording the status of authentication of default as **"Deemed to be Authenticated."**

SUBMISSIONS OF THE RESPONDENT/CORPORATE DEBTOR:

13. The Corporate Debtor filed its Affidavit-in-Reply dated 15.05.2025, controverting the averments and grounds set out in the present Petition and the Applicant's Additional Affidavit, and opposing the reliefs sought by the Operational Creditor. The Corporate Debtor, inter alia, submitted as follows:

12.1. It is engaged in the business of construction and infrastructure development services and alleged that the present Petition had been filed with mala fide intentions solely to recover the alleged outstanding dues. It further contended that the Petition and the Additional Affidavit dated 31.03.2025 were frivolous, baseless and untenable in law, and that the Demand Notice had been issued in violation of the provisions of the IBC, 2016 and the rules made thereunder, with the purported objective of recovering inflated amounts.

12.2. The pre-existing dispute existed between the parties, as the Operational Creditor had acknowledged through its email correspondence the need for reconciliation of accounts, owing to discrepancies between the amounts claimed in its ledger and those reflected in the Corporate Debtor's books of accounts (Page 922, Volume V of the Company Petition). In support of its contention, the Corporate Debtor relied upon the judgment of the Hon'ble Supreme Court in ***Sabarmati Gas Ltd. v. Shah Alloys Ltd., (2023) 3 SCC 229,*** wherein it was observed that an unresolved discrepancy in accounts may constitute a pre-existing dispute for the purposes of Section 9 of the IBC, 2016, provided the dispute is genuine and existed prior to the receipt of the demand notice. Accordingly, the Corporate Debtor submitted that the discrepancies in the amounts claimed required reconciliation and constituted a pre-existing dispute between the parties.

12.3. The claims raised by the Operational Creditor were barred by limitation, as the limitation period was required to be computed separately for each invoice and could not be determined on the basis of a purported running account. It submitted that reliance on the last invoice dated 06.07.2024 to assert 05.08.2024 as the date of default was legally untenable and that certain invoices forming part of the Petition and the Additional Affidavit dated 31.03.2025 were ex facie time-barred. The Corporate Debtor further submitted that, although the Petition was filed on 05.12.2024, claims amounting to Rs.42,49,683/- out of the total

principal debt of Rs.2,28,20,942/- related to invoices that were barred by limitation, as detailed below:

Sr. No.	Particulars of Invoices	Date of invoice	Alleged Default Amount (INR)
1.	2953/2018-2019	19.07.2018	1,89,685.12
2.	2954/2018-2019	19.07.2018	1,88,641.26
3.	3705/2018-2019	20.08.2018	1,52,401.73
4.	4486/2018-2019	18.09.2018	77,244.64
5.	6855/2018-2019	04.01.2019	1,69,920.09
6.	7881/2018-2019	11.02.2019	1,56,316.07
7.	7880/2018-2019	11.02.2019	1,54,228.37
8.	7997/2018-2019	19.02.2019	1,53,763.00
9.	7998/2018-2019	19.02.2019	1,82,990.65
10.	7999/2018-2019	19.02.2019	94,672.30
11.	8000/2018-2019	19.02.2019	1,78,543.04
12.	8001/2018-2019	19.02.2019	1,99,510.68
13.	8002/2018-2019	19.02.2019	1,87,438.40
14.	8003/2018-2019	19.02.2019	2,26,832.14
15.	8004/2018-2019	19.02.2019	1,83,626.10
16.	7995/2018-2019	19.02.2019	2,29,373.66
17.	7996/2018-2019	19.02.2019	2,97,296.45
18.	183/2021-22	05.04.2021	3,30,400.00
19.	184/2021-22	05.04.2021	2,95,000.00
20.	1050/2021-22	04.05.2021	2,71,400.00
21.	1637/2021-22	19.05.2021	3,30,400.00
		Total	**42,49,683.70**

12.4. The Operational Creditor had arbitrarily clubbed **156 invoices** arising out of multiple work orders and distinct projects spread across different operational regions and States/Union Territories, despite each project and contract being accounted for separately. It submitted that the invoices arose from independent contracts having different terms, amounts and dates of default, and therefore, could not be consolidated into a single claim or demand. In support of its contention, the Corporate Debtor relied upon the decisions of the Hon'ble NCLAT in ***International Road Dynamics Ltd. (Company Appeal (AT) (Insolvency) No. 72 of 2017)*** and this Tribunal ***in Godrej & Boyce Mfg. Co. Ltd. v. Satec Envir Engineering (India) Pvt. Ltd., 2022 SCC OnLine NCLT 10029***. It further alleged that the Operational Creditor had clubbed the claims to artificially meet the minimum threshold of

Rs.1 crore prescribed under Section 4 of the IBC, 2016, and accordingly, sought dismissal of the Petition.

12.5. The Corporate Debtor contended that certain invoices forming part of the claim of 156 unpaid invoices had already been paid, as detailed below:

a) 9 invoices aggregating to Rs.14,21,525.58/- in respect of works at Survey Nos. 12 and 13, Bengaluru, Karnataka;
b) 10 invoices aggregating to Rs.19,55,684.25/- in respect of works at the India International Convention and Expo Centre (IECC), Pragati Maidan, New Delhi; and
c) 5 invoices aggregating to Rs.8,84,568.05/- in respect of works at the KOL Terminal Building and New Integrated Terminal Building, Guwahati Airport, Assam.

The Corporate Debtor alleged that the Operational Creditor had inflated its claim by including amounts already paid. It further contended that 9 other invoices, as detailed in the table below, were not due and payable on account of disputes relating thereto.

Sr. No	Invoice No.	Date of Invoices	Alleged Default Amount (INR)
1.	3410011755	31.05.2024	47,200
2.	3410011756	31.05.2024	47,200
3.	3410012259	29.06.2024	2,20,114
4.	3410012258	29.06.2024	1,82,900
5.	3410011754	29.06.2024	38,350
6.	3410011753	31.05.2024	35,350
7.	3410011751	31.05.2024	1,65,200
8.	3410011752	31.05.2024	2,06,500
9.	3410012249	29.06.2024	3,83,500

12.6. The Purchase Orders governing the transactions did not provide for payment of interest on delayed payments beyond the agreed credit

period of 90 days. Further, in the absence of an express contractual agreement between the parties, the Operational Creditor could not unilaterally impose interest at the rate of 18% per annum. It further alleged that the interest component of Rs. 65,02,990/- claimed over and above the principal amount of Rs. 2,28,20,942/- was exorbitant, arbitrary and contrary to the terms of the Purchase Orders.

12.7. The present Petition had been filed with the sole objective of recovering the alleged outstanding dues and not for resolution of insolvency, which, according to it, was contrary to the object and purpose of the IBC. Further, the Corporate Debtor was a profit-making company and was not insolvent, and alleged that the Operational Creditor was misusing the insolvency resolution mechanism to pressurise it into making payment of disputed claims. In support of its contention, the Corporate Debtor relied upon the judgments of the Hon'ble Supreme Court in ***M/s Invent Asset Securitization and Reconstruction Pvt. Ltd. v. M/s Girnar Fibres Ltd., Civil Appeal No. 3033 of 2022,*** and ***Mobilox Innovations Pvt. Ltd. v. Kirusa Software Pvt. Ltd., (2018) 1 SCC 353***, to submit that proceedings under the IBC are not intended to be a substitute for ordinary recovery proceedings.

12.8. Furthermore, the Corporate Debtor was an established construction company with a long-standing reputation and substantial business operations, executing large-scale infrastructure projects for various public and private entities. It contended that the claims arising out of complex construction contracts, particularly where disputes existed, ought to be adjudicated through ordinary civil proceedings or arbitration, as applicable, rather than through insolvency proceedings. It further submitted that initiation of the Corporate Insolvency Resolution Process (CIRP) on the basis of such disputed claims could adversely affect its business operations, ongoing projects, employees and other stakeholders. Accordingly, the Corporate Debtor prayed that

the Petition be dismissed and the Operational Creditor be relegated to its ordinary civil remedies.

14. Thereafter, the Corporate Debtor filed a Sur-Rejoinder dated 01.07.2025, wherein it denied the contents of the Rejoinder, opposed the reliefs sought by the Operational Creditor, and reiterated and reaffirmed the submissions made in its Affidavit-in-Reply. The Corporate Debtor further contended that payments had already been made towards (i) Nine invoices relating to the works at Survey Nos. 12 and 13, Bengaluru, Karnataka, vide UTR Nos. ICMS2305160024Q9 and ICMS230617000QPV dated 16.05.2023 and 17.06.2023, respectively, and NEFT No. NEFT-PUNB0109510-MANLIFTIND dated 15.02.2022; (ii) Ten invoices relating to the work at India International Convention and Expo Centre (IECC), Pragati Maidan, New Delhi, vide NEFT/RTGS transactions dated 07.08.2023, 10.11.2023 and 24.01.2024; and (iii) Five invoices relating to the KOL Terminal Building and New Integrated Terminal Building at Guwahati Airport, Assam, through bulk RTGS transactions from the State Bank of India, Guwahati Branch, supported by Cheque Nos. 989580, 989663, 989730 and 989506 dated 08.10.2024, 04.12.2024, 22.01.2025 and 12.07.2024, respectively.

IA/5175/2025:

15. The present Application has been filed by **Shapoorji Pallonji and Company Limited** (hereinafter referred to as the "Applicant/Corporate Debtor"), seeking dismissal of the captioned Company Petition on the grounds that certain invoices relied upon by the Operational Creditor were raised in the name of the joint venture, namely, Shapoorji Pallonji & Co. Private Limited – Shapoorji Pallonji Qatar WLL (JV), and therefore, the Corporate Debtor is not liable for the entire alleged outstanding principal amount of Rs.2,28,20,942/-, after accounting for the part-payment of Rs.6,00,000/- made on 15.10.2024. The Applicant further contended that all invoices raised specifically upon the Corporate Debtor had been paid in full after filing of the Petition and,

consequently, no outstanding dues remained payable by it and the Petition had become infructuous.

16. The Corporate Debtor submitted that, pursuant to reconciliation between the parties, it was found that 41 invoices aggregating to Rs. 88,83,955/- (Rs.82,57,494.33/- as per the JV's books of accounts) had been raised in the name of Shapoorji Pallonji & Co. Private Limited – Shapoorji Pallonji Qatar WLL (JV), contrary to the Applicant's contention in its Rejoinder dated 26.05.2025. It stated that these invoices formed part of the first table under paragraph 4 of the Operational Creditor's Additional Affidavit dated 01.04.2025, relating to invoices falling outside the Section 10A period. The Corporate Debtor further contended that it could not be held liable for the said invoices, as the JV was a distinct legal entity constituted for the redevelopment of the India Trade Promotion Organisation (ITPO) Complex, having a separate PAN, GSTIN, bank accounts and books of accounts.

17. The Corporate Debtor further submitted that it and the JV were separate legal entities maintaining independent statutory registrations, bank accounts and books of accounts, and that the invoices raised in their respective names could be distinctly identified and segregated. It contended that any liability arising from services rendered to the JV could not be fastened upon the Corporate Debtor. The Corporate Debtor further stated that, after excluding the invoices raised in the JV's name, the outstanding amount as per its books of accounts was Rs. 53,63,809/-, which had been fully paid in three tranches. It submitted that the payment details had been communicated to the Operational Creditor vide email dated 30.08.2025 and, accordingly, no further amount remained due or payable by the Corporate Debtor in respect of the invoices raised against it.

18. The Corporate Debtor further submitted that, even assuming that the liability of Rs.88,83,955/- (Rs.82,57,494.33/- as per the JV's books of accounts) could be attributed to it, the outstanding operational debt would fall below the statutory threshold of Rs. 1 crore prescribed under Section 4 of the Code. It contended that the alleged dues attributable to the Corporate Debtor had already been discharged in full and that no enforceable operational debt subsisted as on date.

Accordingly, relying upon the principle that the IBC is not a recovery mechanism and invoking the inherent powers of this Tribunal under Rule 11 of the NCLT Rules, 2016, the Corporate Debtor prayed that the Company Petition be dismissed as infructuous and not maintainable.

19. The Corporate Debtor, by way of an Additional Affidavit filed in compliance with the order dated 17.03.2026, submitted that the payments relied upon by the Operational Creditor were made by the Joint Venture towards its own project-specific liabilities and not towards the liabilities of the Corporate Debtor in its individual capacity. In support thereof, it relied upon payment advices dated 07.08.2023, 10.11.2023 and 24.01.2024, contemporaneous emails, and an RTGS instruction dated 24.01.2024 acknowledged by the bank, which allegedly established the source and invoice-wise appropriation of the payments. Accordingly, the Corporate Debtor contended that the Joint Venture's invoices and payments could not be attributed to it or relied upon for determining the outstanding debt in the present petition.
20. Thereafter, the Operational Creditor filed its Affidavit-in-Reply dated 21.09.2025 opposing the Application filed by the Corporate Debtor and contending that the same was not maintainable and deserved to be dismissed. The Operational Creditor submitted that the Application had been filed after completion of pleadings in the main Petition and was intended to delay the final hearing. It further contended that, despite settlement discussions between the parties having failed on 25.08.2025, the Corporate Debtor made part-payments towards the outstanding dues between 22.08.2025 and 25.08.2025. The Operational Creditor alleged that the Application was filed on 15.09.2025, one day before the scheduled final hearing, and was served upon its advocates at 7:23 p.m., thereby depriving it of reasonable time to respond. Accordingly, the Operational Creditor alleged that the Application was a mala fide attempt to delay the proceedings and prejudice the adjudication of the main Petition.
21. The Operational Creditor opposed the present application, contending that it had been filed belatedly with the intention of delaying the proceedings and was therefore not maintainable. It further submitted that the services rendered had

never been disputed, the liability to pay interest had not been contested, and the operational debt remained due and payable after adjustment of payments on a "First In, First Out" basis. The Operational Creditor also contended that the Joint Venture was unregistered and unincorporated and, therefore, lacked separate legal recognition.

22. The Operational Creditor further submitted that all issues raised in the present Application had already been addressed in the pleadings and arguments in the main Petition and duly considered by this Tribunal. It contended that the Corporate Debtor had failed to bring any new or material fact warranting consideration and that the Application was redundant and intended to delay the adjudication of the main Petition. The Operational Creditor further alleged that, despite earlier representations regarding settlement, the settlement talks had failed on 25.08.2025 and the subsequent filing of the Application was an abuse of the process of law.

23. The Operational Creditor further submitted that the issues raised by the Corporate Debtor in the Interlocutory Application had already been addressed in the pleadings filed in the main petition. It contended that the pleadings in the matter stood completed and, therefore, the main petition ought to be adjudicated on its own merits by this Tribunal.

24. The Corporate Debtor filed a Rejoinder dated 22.12.2025, denying the contentions raised by the Operational Creditor and reiterating that the invoices expressly raised in the name of the Joint Venture could not be attributed to the Corporate Debtor. It further denied having admitted liability of 88,83,955/-, submitting that the relevant invoices had already been paid and no outstanding liability subsisted in respect thereof. The Corporate Debtor also disputed the Operational Creditor's claim of outstanding dues of Rs. 4,98,06,742/- as arbitrary and unsupported by any invoice-wise reconciliation, contending that the alleged operational debt did not exist to the extent claimed and that the amount could not be artificially computed to satisfy the minimum threshold prescribed under Section 4 of the IBC.

FINDINGS AND ANALYSIS:

25. We have heard the learned counsel appearing for the parties and perused the pleadings, documents and submissions placed on record. The principal issue for consideration is whether the Operational Creditor has established the existence of an operational debt legally due and payable by the Corporate Debtor in excess of the threshold prescribed u/s 4 of the Code and a default in payment thereof, warranting initiation of CIRP under Section 9 of the Code.

26. The Operational Creditor claims to have supplied equipment and rendered services in connection with various projects undertaken by the Corporate Debtor under different Work Orders and Letters of Intent. The Corporate Debtor has not disputed the overall business relationship between the parties or the fact that services were rendered at various project sites. However, it has disputed the amount claimed, the attribution of certain invoices to the Corporate Debtor, the alleged payments already made, the levy of interest and the consolidation of invoices arising from different projects.

27. The Corporate Debtor contended that certain invoices pertain to the Joint Venture, namely, Shapoorji Pallonji and Company Private Limited – Shapoorji Pallonji Qatar W.L.L. (JV), which is evident from the invoice(s) enclosed the petition itself. These 41 invoices, placed at Annexure-A5 (Colly) to the petition, were raised in the name of the said Joint Venture and not in the name of the corporate debtor; thus, the corporate debtor can not be obligated in relation to these invoices as an operational creditor as the goods or services thereunder were not provided to the corporate debtor but to the JV entity of which the corporate debtor was one of the constituents.

28. This Tribunal vide order dated 25.03.2025 required the operational creditor to furnish detailed particulars of the invoices falling within and outside the period prescribed under Section 10A of the Code and to submit a revised and updated Form-5. Pursuant to this, the Operational Creditor filed an Additional Affidavit dated 01.04.2025. As per the updated Form-5, the principal outstanding amount is stated to be Rs.2,28,20,942/-, with the total outstanding amount, including

interest, being Rs. 2,93,23,932/-. However, it is an admitted position that the Corporate Debtor made a part payment of Rs. 6,00,000/- to the Operational Creditor on 15.10.2024. Accordingly, after giving credit for the said payment, the principal outstanding amount stands reduced to Rs. 2,22,20,942/-

29. It is also the admitted fact that 41 invoices aggregating to Rs. 88,83,955/- had been raised in the name of Shapoorji Pallonji & Co. Private Limited –Shapoorji Pallonji Qatar WLL (JV); therefore, it cannot be claimed against the corporate debtor as an operational debt. Accordingly, after considering this payment, the outstanding principal amount has been reduced to Rs. 1,33,36,987/-.

30. Further, out of the 156 invoices falling outside the period prescribed under Section 10A of the Code, as tabulated in the Additional Affidavit dated 01.04.2025 filed by the Operational Creditor, invoices at Serial Nos. 1 to 17, aggregating to Rs. 30,22,483/-, became due during the period from 18.08.2018 to 21.03.2019. The present Petition was filed on 05.12.2024. Under Article 137 of the Limitation Act, 1963, the period of limitation for initiating proceedings under Section 9 of the Code is three years from the date on which the right to apply accrues, which, in the case of invoices, would ordinarily be reckoned from the date on which the payment becomes due. Even after extending the benefit of the order dated 10.01.2022 passed by the Hon'ble Supreme Court in In Re: Cognizance for Extension of Limitation, ***M.A. No. 21 of 2022 in Suo Motu Writ Petition (C) No. 3 of 2020***, whereby the period from 15.03.2020 to 28.02.2022 was excluded from the limitation period, the said invoices are beyond the prescribed limitation period. The limitation period for the latest invoice, which became due on 21.03.2019, expired on 08.02.2024 after giving effect to the aforesaid exclusion. The Operational creditor has contended that the limitation would stand extended in relation to these invoices on account of subsequent payment of Rs. 6,00,000/- on 15.10.2024. However, it is relevant to note that the said payment was made after the expiry of the limitation period in respect of these invoice(s); hence, the limitation would not extend in terms of Section 18 which requires acknowledgement prior to expiry of the limitation period. Accordingly, the amounts covered under invoices at Serial Nos. 1 to 17,

aggregating to Rs. 30,22,483/-, are barred by limitation and cannot be included in computing the operational debt for determining the threshold under Section 4 of the Code. Consequently, after excluding the aforesaid amount, the outstanding principal is further reduced from Rs. 1,33,36,987/- to Rs. 1,03,14,504/-.

31. The Corporate Debtor has also claimed that the Operational Creditor was apprised of disputes in relation to 9 invoices aggregating to Rs. 13,26,364/-. It is noted that the Operational Creditor, vide email dated 31.03.2023, had apprised the Corporate Debtor about project-wise outstanding, referring to the meeting held on 28.03.2023 and requiring the Corporate Debtor to provide the ledger statement to reconcile the accounts. Thereafter, the Operational Creditor followed up on 11.04.2023, 25.04.2023 and 27.04.2023 for the supply of the ledger account. It is further noted that the chain of email communication indicates that the Operational Creditor was following up for payment and that meetings had taken place between them in relation to outstanding dues. Though these emails do not contain any specific details of the invoices in question, they certainly suggest that the parties' account statements required reconciliation. Nonetheless, it is relevant to note that the disputed invoices, aggregating to Rs. 13,26,364/-, were raised in May and June 2024; however, the account statement of the parties appears to have remained unreconciled. It is relevant to note that the corporate debtor had paid amounts against invoices relating to Work at Survey No 12 and 13, Bangalore on 16.05.2023 and 17.06.2023, against invoices relating to Work at IECC, Pragati Maidan, Delhi on 07.08.2023, 10.11.2023 and 24.01.2024, and against invoices relating to KOL Terminal Building Guwahati Airport Civil on 12.07.2024.

32. Further, the Corporate Debtor is stated to have paid Rs. 53,63,809/- towards the remaining outstanding invoices after the filing of the present petition and has claimed that the said payment settles the entire outstanding amount as per their books. The Corporate Debtor has further contended that the details of the aforesaid payments were duly communicated to the Operational Creditor vide email dated 30.08.2025. On this basis, the Corporate Debtor has submitted that

the amounts due and payable against the invoices referred to in the Additional Affidavit dated 01.03.2025, filed by the Operational Creditor, stand fully discharged, and that no further amount remains due or payable by the Corporate Debtor to the Operational Creditor.

33. This indicates that the corporate debtor had been releasing the payment, though belatedly, against processed invoice(s). In the case of ***Samman Lal Sher Singh Pvt. Ltd. v. RS Print Solution Pvt. Ltd., In 663 NCLAT***, the Hon'ble NCLAT, after noting the decision in ***Sabarmati Gas Ltd. v. Shah Alloys Ltd. [(2023) 3 SCC 229***, concurred that the issue of reconciliation is a plausible dispute and not a moonshine defence.

34. It is also contended by the Operational Creditor that even after deducting the amount of the disputed invoice(s), the principal amount along with interest due as on the date of filing of the present petition exceeds Rs. 1.00 crore. Accordingly, the present petition deserves admission, as the amount outstanding as on the date of filing is to be taken into consideration. It is observed that neither the invoices nor the purchase order provides for payment of any interest in case of delay in payment. It is held in case of ***Krishna Enterprises v. Gammon India Ltd., (2018) ibclaw.in 46 NCLAT*** *that* "*If in terms of any agreement interest is payable to the Operational or Financial Creditor then debt will include interest, otherwise, the principle amount is to be treated as the debt which is the liability in respect of the claim which can be made from the Corporate Debtor.*" It is further noted that in case of ***Rohit Motawat v. Madhu Sharma Proprietor Hind Chem Corporation & Anr., (2023) ibclaw.in 128 NCLAT***, it is held "*Before parting, we are constrained to observe that the Adjudicating Authority has erred in not looking into the facts that the principal amount has entirely been paid and the issue was only regarding to interest for which the application under Section 9 of the Code was not maintainable as the spirit of the legislation of the Code is for 'resolution of debt' and not for 'recovery'."*

35. In view of the foregoing discussion, we find that, after excluding the invoices raised in the name of the Joint Venture, the invoices barred by limitation, and

the amounts in respect of which a plausible dispute requiring reconciliation has been raised, the undisputed principal operational debt does not meet the minimum threshold of Rs. 1 Crore prescribed under Section 4 of the Code. Even if the payments made by the Corporate Debtor subsequent to the filing of the present Petition are ignored, the undisputed amount, after the aforesaid exclusions, remains below the statutory threshold. Further, the material on record indicates that the Corporate Debtor had been making payments against the invoices from time to time, though belatedly. These circumstances lend support to the existence of a plausible dispute regarding the outstanding amounts. In view of the above, the Operational Creditor has failed to establish the existence of an undisputed operational debt meeting the threshold prescribed under Section 4 of the Code.

36. Accordingly, the present Petition, **CP (IB) No. 279 (MB) of 2025**, filed under Section 9 of the Code, is not maintainable and is hereby dismissed. In terms of this, **IA (I.B.C) No. 5175 of 2025** stands disposed of.

SD/-	***SD/-***
Prabhat Kumar	**Sushil Mahadeorao Kochey**
Member (Technical)	Member (Judicial)

Vipul Ghate