



NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT VI

Item No. P2.

C.P. (IB)/99(MB)2025

CORAM:

SHRI SAMEER KAKAR
HON'BLE MEMBER (TECHNICAL)

SHRI NILESH SHARMA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **08.12.2025**

NAME OF THE PARTIES: **M/s EnQuest PetroSolutions Private Limited**
Vs
M/s Sparklet Engineers Private Limited

Under Section 9 of the IBC.

ORDER

The case is fixed for pronouncement of the order. The order is pronounced in the open court, *vide* separate order. Detailed order is being uploaded on the NCLT portal today.

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)

//VM//

Sd/-
NILESH SHARMA
MEMBER (JUDICIAL)



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH-VI

C.P. (IB)/99/MB/2025

*[Under Section 9 of the Insolvency and Bankruptcy Code,
2016 r/w Rule 6 of the Insolvency and Bankruptcy
(Application to Adjudicating Authority) Rules, 2016]*

M/S ENQUEST PETROSOLUTIONS PRIVATE LIMITED

[CIN No.: U51109DL2008PTC178462]

621, DLF Tower-B, Jasola District Centre

Jasola, New Delhi – 110044.

...Operational Creditor

V/s

M/S SPARKLET ENGINEERS PRIVATE LIMITED

[CIN No.: U29240MH2000PTC124853]

A-87/B & B 54, Anand Nagar

Ambernath Industrial Area, MIDC

Ambernath (East), Thane – 421506, Maharashtra.

...Corporate Debtor

Pronounced: 08.12.2025

CORAM:

HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)

HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)

Appearances: Hybrid

For Applicant: Adv. Nausher Kohli a/w Adv. Jehan Fouzdar, Adv. Ms. Amrita N.,

Adv. Ms. Amrita D i/b Kochhar & Co.

For Respondent: Adv. Rohan Agrawal a/w Adv. Akash Agarwal i/b MAAK Legal



ORDER

[PER: CORAM]

1. BACKGROUND

1.1 This C.P. (IB) No. 99 of 2025 (Application) was filed on 03.07.2025 by M/s EnQuest PetroSolutions Private Limited, the Operational Creditor (OC) having CIN No.: U51109DL2008PTC178462, under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC), read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, seeking initiation of Corporate Insolvency Resolution Process (CIRP) against M/s Sparklet Engineers Private Limited, the Corporate Debtor (CD), having CIN No.: U29240MH2000PTC124853.

1.2 As per Part IV of the Application, the amount claimed to be in default is Rs.9,19,96,841/- (Nine Crores Nineteen Lakhs Ninety-Six Thousand Eight Hundred and Forty-One Rupees) out of which Rs.6,79,59,159/- is towards principal dues, Rs.2,40,37,682/- towards interest @ 20.25% p.a. for default in the payment of the principal amount (three times the RBI interest rate as per the MSEMD Act), and further interest @ 20.25% p.a. from the date of filing of the present Application until realisation. The date of default in Part IV is stated as 01.01.2023.

1.3 This matter was transferred from Court IV and first heard by this Bench on 10.03.2025.

2. CONTENTIONS OF APPLICANT (OC)

2.1 The Applicant is engaged in providing services in the oil and gas sector, seismic operations, sub-surface studies/ consulting, logistics, drilling project



management, field development and operation services, and knowledge sharing. The CD is *inter alia* engaged in the business of design of upstream and downstream Oil and Gas equipments including manufacturing, inspection, fabrication, testing, supply assembly, equipment installation, commissioning and startup support and detailed engineering, procurement & expediting, project management and controls.

2.2 The CD was awarded a contract from Halliburton Offshore Services Inc. ("Halliburton") for the provision of integrated Field Plan execution services in Satellite Fields in Barmer, in 2019. The CD engaged the Applicant for Satellite Fields Civil Work, project management of certain Satellite Fields Civil Works, provision of vehicles and associated services and provision of warehouse/ yard/ office at Barmer. In this regard, work orders dated 16.10.2019 and 20.12.2019 bearing reference numbers as SEPL A87/1920/00062-OS and SEPL 4077EP-1920/029, respectively, were issued by the CD in favour of the Applicant.

2.3 The Applicant performed the assigned works from September 2019 onwards and regularly raised proforma invoices with supporting documentation for verification by the CD. However, despite repeated assurances, the CD failed to verify the invoices or make payments, citing financial difficulties caused by the Covid-19 pandemic, disruption of its primary contract with Halliburton, and classification of its bank accounts as Non-Performing Assets (NPAs) by all leading Banks in November/December 2019.

2.4 The total amount payable by the CD to the Applicant for the works executed at Halliburton's Satellite Field Project in District Barmer, Rajasthan, is



Rs.7,29,59,159/-. The details of the amount due under various heads are summarized below:

Category	Invoice Amount	GST	Total (including GST)
Vehicle	9,10,666	1,63,920	10,74,586
PMC	81,27,876	14,63,018	95,90,894
Civil Works	5,06,93,583	91,24,845	5,98,18,428
Rent	18,00,000	3,24,000	21,24,000
Others	2,97,671	53,581	3,51,251
Total	6,18,29,795	1,11,29,363	7,29,59,159

2.5 Out of this total, the CD made a single payment of Rs.50,00,000/- on 28.08.2021, by cheque. After deduction of TDS, the Applicant received a net sum of Rs.49,25,000/-. However, the deducted TDS has not been deposited with the tax authorities, and consequently, the Applicant has not been able to avail the benefit of such deduction. Thus, the total amount outstanding on the CD's part remains at Rs.6,79,59,159/-.

2.6 The Applicant is registered as an MSME under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Under Section 16 of the said Act, the CD is liable to pay interest on the principal outstanding at three times the bank rate notified by the Reserve Bank of India, compounded monthly. Accordingly, interest on the defaulted sum of Rs.6,79,59,159/- from January 2023 to 03.07.2024, amounts to Rs.2,40,37,682/-, making the total amount payable Rs.9,19,96,841/-.

2.7 The entire operational debt has been consolidated between the Applicant and the CD in Vendor Settlement Agreement (VSA) dated 29.03.2022. The



CD has also admitted the same under the VSA and undertook to repay the total amount in multiple tranches, the last of which was due in December 2022.

2.8 In August-September 2020, the CD requested the Applicant to raise tax invoices against select proforma invoices while deferring the rest until liquidity improved. Accordingly, the Applicant raised GST invoices aggregating Rs.1,06,65,479.60/-, which included the corresponding tax liability that the Applicant duly deposited. Despite this, the CD failed to make any payment.

2.9 On 19.07.2021, the CD admitted its inability to meet its financial obligations and proposed to constitute a Vendor Committee to address pending dues. The Applicant, through its reply dated 20.07.2021, highlighted its precarious financial situation and the fact that it had borrowed funds from the bank against the Director's residence to sustain operations, urging the CD for immediate payment.

2.10 Following the death of Mr. Sadanand Pendse, Executive Director of the CD, on 18.07.2021, further discussions ensued. The CD assured that payments would be made in 4-6 tranches and proposed 3 separate settlement agreements. A draft VSA for Rs.2,52,75,472/- was shared on 18.08.2021, and duly executed thereafter. Pursuant to this, a part-payment of Rs.50,00,000/- was made on 28.08.2021 by way of cheque, as noted above.

2.11 However, no further tranches were released, and the deducted TDS was also not deposited. As the other 2 proposed settlement agreements were never finalised, the Applicant continued to follow up for the entire outstanding. In February-March 2022, the CD once again assured payment



in 4-8 tranches, leading to the execution of a 2nd VSA on 29.03.2022. Under this agreement, the CD agreed to pay Rs.7,20,31,712/- (inclusive of IGST @18% and after deduction of TDS @1.5% amounting to Rs.9,27,447/-) by December 2022.

2.12 Despite the express acknowledgement under the 2nd VSA, the CD failed to make any further payment. Consequently, the entire admitted operational debt became due and payable on 01.01.2023, upon expiry of the last due date under the VSA.

2.13 Accordingly, as of the date of the Demand Notice (10.04.2024), the outstanding principal is Rs.6,79,59,159/-, and interest calculated @ 20.25% p.a. (being 3 times the RBI bank rate under the MSMED Act) from 01.01.2023 to 03.07.2024, amounts to Rs.2,40,37,682/-, making the total amount in default as Rs.9,19,96,841/-. Further interest at the rate of 20.25% p.a. continues to accrue until realisation.

2.14 The Applicant has attached the following supporting documents along with the Application and Rejoinder dated 15.05.2025:

- a) Master data of the Applicant and the CD.
- b) The copy of the certificate of incorporation of the Applicant.
- c) Copy of board resolution passed by the Applicant in favour of Mr. JS Anand.
- d) The copy of the working for computation of default, interest, along with the dates thereof.
- e) Copy of record of Financial Information issued by National E-Governance Services Limited.
- f) Copy of the Applicant 's bank statement.



- g) Copy of the certificate issued by Punjab National Bank confirming there is no payment of an unpaid operational debt by the CD.
- h) Copy of Minutes of the Meeting dated 23.08.2019 between Applicant and CD.
- i) Copy of Work Order No. SEPL-A87/1920/00062-OS General Civil Works in Barmer dated 16.09.2019.
- j) Copy of amendment dated 01.10.2019, to Work Order No. SEPL-A87/1920/00062-OS for additional civil works.
- k) Copy of Work Order No. SEPL-4077EP-1920-029 for warehouse/yard/ office space/working space facility in Barmer dated 20.12.2019.
- l) Copy of consolidated Excel sheet giving details of the Invoices/Proforma Invoices issued under various categories for work done in Barmer on Halliburton' s Satellite Field project.
- m) Copy of proforma Invoices for civil works together with supporting documents and emails.
- n) Copy of proforma Invoices for Warehouse Rent together with emails.
- o) Copy of proforma Invoices for Miscellaneous services together with supporting documents and emails.
- p) Copy of Tax invoices for PMC Work.
- q) Copy of Tax invoices for Vehicle Services.
- r) Copy of GST screenshots for payment of GST on tax invoices.
- s) Copy of emails dated 21.09.2020, from Applicant to CD together with proforma invoices for certain civil works and supporting documents for the same which had not been raised earlier due to Covid-19.
- t) Copy of emails dated 18.08.2021, exchanged between the parties.



- u) Copy of Vendor Settlement Agreement between Applicant and CD dated 18.08.2021.
- v) Copy of Vendor Settlement Agreement between Applicant and CD dated 29.03.2022.
- w) Copy of the Demand Notice dated 10.04.2024. (without exhibits).
- x) Copy of the letter dated 20.04.2024, issued by Cd's lawyers in reply to the Demand Notice.
- y) Copy of the Email dated 09.05.2024, sent by CD's lawyers seeking further time.
- z) Copy of the Reply dated 29.05.2024, issued by the CD in response to Demand Notice.
- aa) Copy of emails of July 2021.
- bb) Copy of emails of August 2021.

3. CONTENTIONS OF CD

- 3.1 Affidavit-in-Reply dated 06.05.2025 was filed and affirmed by one Mr. Chaitanya Kulkani, who is stated to be the Director and authorized representative of the CD.
- 3.2 According to the CD, the VSA dated 29.03.2022, governed the entire relationship between the parties and superseded previous invoices, work orders, or earlier agreements. It argues that this agreement represented a mutual understanding to restructure dues, not an acknowledgment of operational debt under Section 5(21) of the IBC.



3.3 The CD therefore contends that the Applicant's claim arises from a commercial settlement agreement and not an operational debt within the meaning of the IBC. The relevant extract of the Application reads as:

“d) The entire operational debt has been consolidated in Vendor Settlement Agreement between M/s Sparklet Engineers Private Limited and Mis EnQuest PetroSolutions Private Limited dated March 29, 2022. The Corporate Debtor has also admitted the same under the Vendor Settlement Agreement.”

3.4 The CD states that it is a settled law that upon default in payment of instalments under a settlement agreement, such debt does not fall within the definition of 'operational debt'. It maintains that the Application under Section 9 is not maintainable, as the liability emanates from a negotiated settlement, not from the original work orders or services. It further asserts that the VSA stands insufficiently stamped and unenforceable in law and that there were disputes regarding invoices, deliverables, and billing verification, existing much prior to issuance of the demand notice.

3.5 It is the Applicant's case that the CD failed to pay the instalments as provided under the VSA. The VSA, however, provides for a clause for dispute resolution through arbitration in Mumbai, governed by Indian laws, with proceedings in English before a 3-member Arbitral Tribunal. Therefore, any dispute arising from or relating to the VSA can only be resolved through arbitration. The Applicant cannot invoke Section 9 of the IBC to initiate CIRP against the CD when an alternate contractual remedy is already available.



Consequently, the alleged liability claimed under the VSA does not constitute an “operational debt” within the meaning of the IBC.

3.6 The Applicant’s claim is based on the VSA but also relies on earlier correspondence exchanged before it. The claim covers payments for civil works, warehouse rent, and miscellaneous services carried out at Halliburton’s Satellite Field Project in Barmer, Rajasthan, supported only by proforma invoices rather than tax invoices. The largest component of the alleged debt, of Rs.5,06,93,583/-, is based on these proforma invoices. Below is the table as relied upon by the Applicant in support of Purported Debt:

Category	Invoice Amount	GST	Total (including GST)
Vehicle	9,10,666	1,63,920	10,74,586
PMC	81,27,876	14,63,018	95,90,894
Civil Works	5,06,93,583	91,24,845	5,98,18,428
Rent	18,00,000	3,24,000	21,24,000
Others	2,97,671	53,581	3,51,251
Total	6,18,29,795	1,11,29,363	7,29,59,159

3.7 The VSA required the Applicant to raise tax invoices to enable payment as against Civil Work, Warehouse Rent, and Miscellaneous services, but none were raised either before or after the Agreement. Without tax invoices, no payment obligation ever arose for the CD. This non-compliance itself creates a dispute and makes the claim unmaintainable.

3.8 Further, correspondence between the parties shows that disputes existed much before filing this Application. By email dated 02.03.2022, the Applicant acknowledged receipt of Rs.49,25,000/- and demanded Rs.5,09,35,200/- as balance dues. Halliburton Offshore, in its reply dated 07.03.2022, clarified that as per the meeting on 14.12.2021, payments to the Applicant’s



subcontractors were to be made directly as per the value that was shared and agreed among the Applicant and its 3 subcontractors. Accordingly, Halliburton Offshore, on behalf of the CD, paid Rs.2,33,78,000/- to 3 subcontractors, namely, M/s Godara Infratech & Power Industries, M/s Lalaram Saran & Co., and Choudhary Construction Co.—who issued “no due” certificates. This shows that the CD’s liability, if any, was discharged.

3.9 By agreeing to the settlement terms, the Applicant was the contractor to the CD who in turn was the contractor to Halliburton Offshore. In view thereof, clearly a principal-agent relationship is established among the Applicant, the CD and Halliburton Offshore, where Halliburton Offshore has cleared the liability of the CD. Hence, there was no pending payment obligation from the CD to the Applicant.

3.10 The CD states that the Applicant admitted that proforma invoices were raised only for verification and confirmation, after which tax invoices were to be issued for payment. The relevant extract of the purported VSA is reproduced below:

Particulars	Amount Rs. As per Enquest Claim	Amount Rs. As per SEPL	Difference	Remarks
Admissible Bills to be raised as per your statements	6,18,29,795	6,18,29,795	-	Proforma Invoices to be raised as Tax Invoices
IGST 18%	1,11,29,363	1,11,29,363	-	Refer GST Note ** below
Total	7,29,59,159	7,29,59,159		
Less: Payments	-	-	-	Refer Exhibit B
Less: TDS @ 1.5%	9,27,447	9,27,447	-	
Net Claim Payable	7,20,31,712	7,20,31,712	-	

3.11 However, no such tax invoices were raised. Proforma invoices are not legally enforceable as they only indicate expected charges; only tax invoices



under GST law can evidence a debt. Hence, the alleged debt based on proforma invoices is not an admitted or enforceable liability.

3.12 The Applicant has also wrongly claimed GST of Rs.1,11,29,363/- as part of the alleged debt without raising tax invoices. The VSA required the Applicant to first show proof of GST payment to the government and upload the invoices in GSTR-1 before receiving payment. Since these conditions were never fulfilled, the CD had the right to retain the GST amount. Thus, even the GST component is disputed, and the claim based on it is untenable.

3.13 It is submitted that the Applicant's claim for interest of Rs.2,40,37,682/- at 20.25% p.a. is unsustainable because there is no agreement entitling such interest. Moreover, the interest is computed on a disputed principal amount that wrongly includes GST. Therefore, both the principal and the interest claims are untenable and the Application is liable to be dismissed on this ground as well.

3.14 The Applicant has already invoked remedies under the MSMED Act for Rs.6,79,59,159/-, as shown by the notice dated 25.04.2025 from the MSME SAMADHAAN portal. Interestingly, in that proceeding, the Applicant has not claimed any interest, although in this Application it claims interest at triple the RBI rate under Section 16 of the MSMED Act. This inconsistency shows that the Applicant is inflating its claim to pressure the CD. The Application is thus a misuse of the IBC for recovery and not for insolvency. The relevant extract in relation to purported interest as claimed in the Application is reproduced hereinbelow:



"In terms of Section 16 of the MSMED Act, the Corporate Debtor has to pay interest on the principal outstanding sum at three times the bank rate notified by the Reserve Bank of India, compounded on monthly rests to the Operational Creditor."

3.15 Out of the total alleged amount of Rs.6,18,29,795/-, the major portion of Rs.5,27,91,254/- is based on proforma invoices, which cannot create liability. Excluding this, the remaining Rs.90,38,541/- falls below the minimum threshold of Rs. 1 Crore required under Section 9 of the IBC. Even this balance is not payable since no tax invoices were raised and the VSA superseded earlier commitments. Thus, the minimum threshold is not met and the Application isn't maintainable.

3.16 The Applicant has failed to specify the date of default in the Demand Notice dated 10.04.2024. While the VSA scheduled payments from April 2022, the Applicant inconsistently alleges default from January 2023. Non-determination of the date of default violates Section 8 of the IBC. This defect was pointed out by this Tribunal on 28.01.2025, but the Applicant failed to rectify it. Hence, the Application remains defective and is liable to be dismissed.

3.17 The CD has already disputed the alleged debt on the NeSL platform due to the reasons stated above. Additionally, under Clause R of the Settlement Agreement, once the first tranche was paid, the Applicant agreed not to initiate any legal proceedings against the CD. The relevant extract of the VSA reads as:



"R. The Company and the Vendor expressly agree that the Vendor can't opt out of this Agreement once disbursement of First tranche is made and the Vendor would not pursue any legal actions against the Company."

The first tranche of Rs.49,25,000/- was paid on 18.08.2021; hence, the Applicant is contractually barred from filing this Application.

3.18 The VSA expressly superseded all prior communications, negotiations, or commitments between the parties. Therefore, any reliance by the Applicant on earlier correspondence or documents is misconceived. By suppressing this fact, the Applicant has misled this Tribunal, and the claim based on prior documents is unsustainable.

3.19 The CD states that the VSA and earlier documents are insufficiently stamped under law. The VSA which is stamped for Rs.100/-, is insufficiently stamped as the Applicant under the purported VSA is seeking to enforce the Purported Debt. Since an insufficiently stamped document is inadmissible until duly stamped, the Agreement must be impounded under the Maharashtra Stamp Act, 1958, and until then, the present proceedings cannot continue.

3.20 The IBC is meant to resolve genuine insolvency, not to serve as a recovery mechanism. The Applicant's attempt to use CIRP proceedings to extract money from the CD is contrary to the spirit of the IBC and amounts to an abuse of process under Section 65. The Application is *mala fide*, extortionate, and intended to harass the CD, and should be dismissed with costs.



3.21 No Board Resolution has been filed authorising the Applicant's representative to sign or file this Application. It is settled law that a company cannot file proceedings without such authorisation. Therefore, the Application is defective and not maintainable.

3.22 The CD has attached the following supporting documents along with the Reply:

- a) A copy of the Board Resolution authorizing Mr. Chaitanya Kulkani, on behalf of the CD, to depose and affirm the present Affidavit.
- b) A copy of the Vendor Settlement Agreement.
- c) A copy of the email, addressed by the Petitioner to Halliburton Offshore and the CD.
- d) A copy of the email addressed by Halliburton Offshore to the CD.
- e) A copy of the no due certificates issued by the contractors of the Applicant.
- f) A copy of the intimation received from MSME SAMADHAAN to the CD.
- g) A copy of the order passed by this Hon'ble Tribunal.

4. REJOINDER

4.1 Rejoinder dated 15.05.2025 was filed and affirmed by one Mr. Jagjot Singh Anand, Director and authorized representative of the Applicant.

4.2 At the outset, the defences raised by the CD are nothing more than a smokescreen intended to evade its clear payment obligations. Throughout its reply, the CD heavily relies on the VSA dated 29.03.2022, claiming that the said document has altered the character of the operational debt, thereby rendering the present Application under Section 9 of the IBC not maintainable. Ironically,



while the CD seeks to rely on this very VSA to escape liability, it simultaneously challenges its admissibility by alleging insufficiency of stamping. This contradictory stance is nothing but a desperate technical plea. It is crucial to note that the CD has never disputed the execution of the VSA nor denied the Applicant's status as an Operational Creditor. On the contrary, the Agreement itself contains a clear and unequivocal acknowledgement of an operational debt of approximately Rs. 7 Crores owed to the Applicant.

4.3 In substance, the VSA dated 29.03.2022, is not a "settlement agreement" as alleged by the CD. Rather, it merely consolidates and crystallises the admitted operational debt into a single document, recording the total amount payable and prescribing a payment schedule. The Agreement specifically acknowledges the CD's inability to clear payments due to liquidity issues, as recorded in Clause G, reiterated as under:

"G. The Lenders of the Company have already started recovery proceedings against the Company and its Directors over the last few months, as the liabilities of the Company are more than expected recovery from realization of assets. Furthermore, these Banks have also marked "lien" on all operative bank accounts of the Company and does not allow the Company to even pay for basic facilities like "Power/Electricity" bills of its closed factories."

4.4 Thus, it functions as a statement of account confirming the dues payable to the Applicant, not as a novation or alteration of the underlying contractual relationship. Importantly, the Agreement was executed only in respect of the



operational debt arising from services rendered by the Applicant under various work orders.

4.5 The CD's argument that the liability originates merely from "proforma invoices" and hence cannot constitute a legally enforceable debt is wholly untenable. It is a settled position of law that while proforma invoices, by themselves, may not always create an enforceable debt, such an argument fails when there exists an express acknowledgement of liability. In the present case, the VSA conclusively establishes the debt owed by the CD to the Applicant. Therefore, this contention is nothing more than a baseless and technical attempt to avoid payment of an admitted liability.

4.6 The CD had, on several occasions, cited financial difficulties as the reason for its failure to clear outstanding dues and approve proforma invoices. The Applicant, at the CD's request, even raised invoices addressed to the CD's Dubai-based entity. Despite accommodating these requests, the CD later expressed its inability to proceed with that arrangement as well. Consequently, the VSA dated 29.03.2022, was executed, consolidating all dues into one admitted figure and establishing a structured payment plan. Notably, Clause S of the said VSA expressly permitted the CD to make payments through any of its group entities, and the issuance of tax invoices was a mere procedural formality.

4.7 Hence, the CD's current contention that payments could not be made in the absence of tax or proforma invoices is both unfounded and contrary to the express terms of the Agreement as well as the conduct of the parties.

4.8 It is denied by the Applicant that the CD made payments toward the work performed by the Applicant. On the contrary, the CD failed to discharge its obligations despite the completion of services by the Applicant. The Agreement



was executed precisely because the Applicant had completed its work but had not received payment. The total amount owed under the operational debt remained unchanged before and after the execution of the Agreement, which only set out the mode and timeline for payment. The CD's unconditional execution of the Agreement amounts to an express acknowledgement of its liability to pay the operational debt. In light of this, the CD's contention that the default does not fall within the definition of 'operational debt' under the IBC is not only untenable but also absurd.

4.9 Insofar as the alleged payments made by Halliburton Offshore directly to the Petitioner's vendors are concerned, details of which remain unknown to the petitioner, it is submitted that such payment were made solely to ensure that the work at site continued uninterrupted. The petitioner was engaged as a sub-contractor by the Respondent, and it is wholly incorrect and legally untenable for the Respondent to assert that there existed a principal-agent relationship between the Petitioner and Halliburton, thereby absolving itself of its payment obligations. In fact, it is the Respondent who unequivocally undertook to make payments towards the operational debt under the Agreement. The Respondent is now estopped from taking a contrary position and from raising such frivolous and baseless defences.

4.10 The CD's hyper-technical plea that the Agreement changed the nature of the operational debt or rendered the Application non-maintainable is entirely without merit. The Agreement serves only two purposes: first, to record an unambiguous acknowledgement of the existing operational debt; and second, to lay down a schedule for payment. There has been no alteration, novation, or substitution of the original terms between the parties that would change the debt's character or



extinguish the earlier liability. Therefore, the Respondent's contention that the operational debt has been converted into a new contractual obligation is unsustainable in law and contrary to the factual record.

4.11 Accordingly, all defences raised by the CD, including those concerning the alleged insufficiency of stamping, the use of proforma invoices, or the maintainability of the Application, are devoid of substance and fail to raise any bona fide dispute. The Agreement itself stands as a categorical acknowledgement of debt and liability, leaving no room for technical or contrived objections.

5. ADDITIONAL AFFIDAVIT (OC)

5.1 Form D was submitted by the Applicant showing the date of default as 01.01.2023, default amount of Rs.91,846,849/-, and its status as "Deemed to be Authenticated".

6. SYNOPSIS (OC) dated 26.06.2025

6.1 It was agreed that the Applicant would raise proforma invoices for works completed, subject to approval by the CD. The Applicant duly completed all works as mandated under the Work Orders. Despite rendering services, the CD defaulted in payments, citing liquidity constraints, which are duly recorded.

6.2 After prolonged discussions, the parties executed a VSA dated 29.03.2022, wherein the CD unequivocally acknowledged liability of Rs.7,29,59,159/- and agreed to pay the same as per the payment schedule annexed at Exhibits A and B of the Agreement. The Agreement's sole purpose was to



consolidate the undisputed outstanding debt and provide a schedule for its repayment.

6.3 The debt in question arises directly from services rendered under valid Work Orders. At no stage has the CD disputed the execution of the Work Orders or the completion of services by the OC. The entire liability crystallised under these contracts and is the basis of the admitted operational debt.

6.4 Multiple acknowledgements of liability were made by the CD through correspondence and the VSA itself. Emails dated 19.07.2021 and 20.07.2021 show explicit admissions of inability to make timely payments, coupled with assurances to pay under a structured plan. The CD's own proposal to execute multiple agreements for the consolidation of outstanding dues further reinforces its acknowledgement of the debt.

6.5 The CD has admittedly defaulted on the payment schedule outlined in the Agreement. Except for the first tranche of Rs.49,25,000/- paid on 28.08.2021, no other payment was made. Consequently, a principal sum of Rs.6,79,59,159/- remains unpaid along with statutory interest. This persistent default, despite repeated assurances, establishes clear grounds for admission of the Application under Section 9 of the IBC.

6.6 The CD's primary contention is that the operational debt lost its character after execution of the Agreement, making the present Application under Section 9 IBC not maintainable. This argument is fundamentally misconceived. The Agreement did not alter or novate the underlying operational debt. It merely consolidated the admitted dues and laid down the manner of repayment. The original debt arose from the Work Orders, and the Agreement neither extinguished nor replaced this underlying



liability. The nature of the debt thus continues to be operational. In ***Ahluwalia Contracts (India) Ltd. v. Jasmine Buildmart Pvt. Ltd.***, 2023 SCC OnLine NCLAT 579, the Hon'ble NCLAT held that a settlement agreement prescribing only the mode of payment does not change the nature of the operational debt. The Tribunal clarified that where a debt arises from services or work contracts, the execution of a subsequent settlement for repayment does not bar maintainability under Section 9 IBC. The pertinent extract is reproduced as follows:

"11. In the above judgment, it is clearly held that Memorandum of Understanding entered between the parties was only with regard to mode and manner of payment and that too after final bill certificate which was duly signed by both the parties. It was held that Application under Section 9 ought not to have been rejected. Present is also a case where the operational debt arose out of contract awarded by the Corporate Debtor to the Operational Creditor, with regard to which RA Bill Nos. 49 and 50 final bills were issued. Present is not a case that Corporate Debtor denied his liability to pay the bills rather during pendency of earlier Section 9 Application entered into settlement dated 16.12.2017 for payment of the amount. The above Judgment fully support the submissions of Appellant.



13. *The judgment of this Tribunal in “Amrit Kumar Agrawal” (supra) was a case where this Tribunal was examining the Application on the issue whether it is financial debt. In the said background, it was held that Settlement Agreement subsequently entered between the Financial Creditor and the Corporate Guarantor does not contain any element of financial debt, hence, its breach was not financial debt. The judgment of this Tribunal in “Amrit Kumar Agrawal” (supra) was entirely on different facts and circumstances and has no application in the present case. In the present case, as noted above, the nature of the operational debt was payment of RA Bills submitted by Operational Creditor and Settlement Agreement was entered for payment but payment having not been made in pursuance of the Settlement Agreement, liability of the Corporate Debtor to make the payment continues and Operational Creditor was well within its right to file Section 9 Application.*

15. *We have already noticed the nature of operational debt claimed in Section 9 Application, which arose out of construction contract granted to the Operational Creditor by the Corporate Debtor. Settlement during earlier Section 9 proceeding was only mode of payment to the operational debt. The facts of the*



present case are clearly distinguishable. The judgment of this Tribunal in “Trafigura India Private Limited v. TDT Copper Ltd.” does not come to any aid to the Appellant.

18. We are of the view that filing of claim in the CIRP of ‘VentaRealtech Pvt. Ltd.’ has no effect on maintainability of Section 9 Application. In the CIRP what amount Operational Creditor i.e. Appellant is entitled or receives are different issues, any amount received by the Appellant in CIRP of ‘VentaRealtech Pvt. Ltd.’ may be adjusted but that itself cannot be a ground to not proceed with Section 9 Application filed by the Operational Creditor. We, thus, are of the view that the Adjudicating Authority committed error in rejecting the Application of the Appellant on the ground that there is no operational debt. The issue is fully covered by judgment of this Tribunal in “Ahluwalia Contracts (India) Limited v. Logix Infratech Pvt. Ltd.”.

19. In view of the foregoing discussions, we are of the view that impugned order of the Adjudicating Authority is unsustainable. In result, the Appeal is allowed. The order dated 12.01.2023 is set aside. Section 9 Application filed by the Appellant is revived before the Adjudicating Authority to be proceeded with in accordance with law.”



Similarly, in **Ahluwalia Contracts (India) Ltd. v. Logix Infratech Pvt. Ltd.**, 2022 SCC OnLine NCLAT 3797, it was held that an MoU prescribing only the method of repayment, entered after final certification of bills, does not affect the operational character of the debt. The Adjudicating Authority was directed to admit the Section 9 application and proceed accordingly.

Therefore, the defence that the Application is not maintainable owing to the Agreement is untenable and contrary to binding precedent.

6.7 The CD has belatedly attempted to raise a defence of pre-existing dispute based on certain prior emails. However, all such communications predate the execution of the Agreement dated 29.03.2022. Once the Agreement was signed, it served as a final settlement of all prior issues and contained an unequivocal admission of liability. Any alleged disputes before that date were resolved by mutual consent. Hence, no pre-existing dispute survived post execution of the Agreement. Raising such a defence now is merely an afterthought to evade liability. The principle laid down by the Hon'ble Supreme Court in **Mobilox Innovations Pvt. Ltd. v. Kirusa Software Pvt. Ltd.**, (2018) 1 SCC 353, is directly applicable. A Section 9 petition must be admitted when the operational debt is due, default is established, and no *bona fide* pre-existing dispute exists. All these conditions are fulfilled in the present case.

6.8 The CD's claim that the debt is unenforceable because it arises from "proforma invoices" is equally baseless. Initially, the CD itself requested deferment and restructuring of invoices due to liquidity constraints. The OC accommodated these requests in good faith, including by raising invoices on other associated entities of the CD.



6.9 Subsequently, the CD expressly acknowledged the same invoices in the executed Agreement, thereby confirming their validity and agreeing to pay the total outstanding. Having executed such an acknowledgement, the CD is now estopped from disputing the enforceability of the invoices.

6.10 It is further clarified that tax invoices corresponding to the proforma invoices were not raised solely because the CD failed to provide the necessary billing details. In prior instances, to assist the CD's financial arrangements, invoices were even raised on its Dubai entity. Thus, the contention regarding unenforceability is a technical ploy devoid of substance.

6.11 The CD's assertion that the date of default is vague is also incorrect. As reflected in Part IV of the Application and Form D filed on the NESL portal, the date of default is 01.01.2023, which is admitted by the CD itself in paragraph 14.2 of its Reply. Since the last tranche under the Agreement was due in December 2022, and no payment was made thereafter, the entire operational debt became due and payable on 01.01.2023. Hence, the date of default is clear and well-documented.

7. SYNOPSIS (CD) dated 26.06.2025

7.1 The Applicant has filed this case to start CIRP against the CD based on a Settlement Agreement.

7.2 However, courts have already held that default in paying instalments under a settlement agreement does not count as an "operational debt" under the IBC. This was decided by the Hon'ble NCLAT in ***Trafigura India Pvt. Ltd. v. TDT Copper Ltd.*** (Company Appeal (AT) (Insolvency) No. 742 of 2020)



and ***Zhejiang Industrial Group Co. Ltd. v. Al Badr Seafoods Pvt. Ltd.***

(Company Appeal (AT) (CH) (INS.) No. 272 of 2023.

7.3 In this case, the Applicant's main claim is that the CD failed to pay the instalments mentioned in the Settlement Agreement from April 2022 to December 2022.

7.4 The Applicant has relied upon emails exchanged before the Settlement Agreement. In an email dated 02.03.2022, the Applicant stated that out of Rs.7.29 Crore, it had received Rs.49.25 Lakh and claimed that Rs.5.09 Crore remained due after certain deductions. On 07.03.2022, Halliburton Offshore informed the CD that it had agreed to pay the Applicant's subcontractors directly. Based on this arrangement, Halliburton Offshore made payments to the Applicant's 3 vendors, who then issued "no due" certificates. This shows that Halliburton Offshore, the CD, and the Applicant had a principal-agent relationship, and Halliburton Offshore had already cleared the CD's liability.

7.5 The Applicant has claimed Rs.2.40 crore as interest at 20.25% p.a. However, no contract or clause entitles the Applicant to claim such interest. The interest is also calculated on an inflated amount that includes GST, which itself is disputed. This principle has been upheld by the NCLAT, New Delhi, in ***Shitanshu Bipin Vora v. Shree Hari Yarns Pvt. Ltd. & Ors.***

7.6 The main part of the claim, i.e., Rs.5.27 Crore out of Rs.6.18 Crore, is based on proforma invoices, which are not valid debts. If those are excluded, the remaining amount is only Rs.90.38 Lakh, which is below the Rs.1 Crore threshold required to file an IBC petition. The related GST claim of Rs.95 Lakh is also not maintainable. Even the Rs.90.38 Lakh claimed for other



services (Vehicle and PMC) cannot be recovered, as those obligations were replaced by the Settlement Agreement.

7.7 The CD has already marked the purported debt as “disputed” on the NeSL portal due to all the reasons mentioned in its Reply.

7.8 The Settlement Agreement is stamped only for Rs.100/-, which is insufficient considering it is being used to enforce a monetary claim. Hence, the document cannot be legally enforced in its current form.

8. ANALYSIS AND FINDINGS

8.1 We have perused the documents as placed before us and heard both the Ld. Counsels for the Applicant and the CD.

8.2 The CD has unequivocally admitted that the Applicant had carried out certain civil, rental and miscellaneous works and raised proforma invoices for the same. While the CD does not dispute the execution of such works, it contends that all payments were subsequently settled through a Settlement Agreement executed on 29.03.2022 (“VSA”), which recorded a total payable amount of Rs.7,20,31,712/–, to be paid in instalments between April and December 2022. It is further undisputed that certain instalments under this VSA remain unpaid. The Applicant issued Demand Notice dated 10.04.2024 demanding an amount of Rs. 9,19,96,841/- and the CD replied to the Demand Notice on 29.05.2024. The present Application under Section 9 of the IBC has been filed by the Applicant alleging default in respect of these unpaid amounts.



8.3 The CD has made multiple acknowledgments through correspondence and the VSA. The email dated 12.07.2021 shows the inability to make timely payments by the CD which is reproduced as follows:



8.4 From the above email it is clear that the CD was unable to pay the outstanding payment to the Applicant.

8.5 As per the VSA the schedule of the outline was laid out and the CD paid the first tranche amounting to Rs. 49,25,000/- and no further payments came through from the CD. In view of these acknowledgments from the CD we



find that the CD has defaulted in paying the outstanding dues to the Applicant.

8.6 The CD raised several contentions which are dealt as follows:

- i. The CD argues that the VSA is mutual understanding to restructure dues and not an acknowledgement of operational debt under Section 5(21) of the IBC. It is seen that the VSA is a consolidation of the debts due and payable by the CD from the year 2021 as the CD had failed to make the payment to the Applicant for the work completed by the Applicant. As the CD has admitted that the VSA was a mutual restructuring of dues, the CD has unequivocally accepted that there were dues payable to the Applicant. The relevant paras in the VSA dated 29.03.2022 is reproduced as below:

"C The Vendor carried out certain portion of the works (as per scope provided) at Barmer site in 2019 and 2020 which was submitted and verified by the Company and Halliburton for the payment. Accordingly, the Vendor had submitted relevant details and documents in support of the Satellite Fields Civil Works and invoices value were finalized and firmed up aggregating at Rs. 2,52,75,472/- (Rupees Two Crores Fifty Two Lakhs Seventy Five Thousand Four Hundred and Seventy Two Only) {including IGST@ 18% and subject to TDS @ 1. 5%} vide Vendor Settlement Agreement dated August 18, 2021

- D. During the process of vendor settlement. certain Proforma Invoices and the documents related to work done could not be settled and was set aside for settlement in future. Due to Covid and sudden demise of Mr. Sadanand Pendse (Ex- Executive Director of SEPL) the matter could not be taken up earlier. It is now agreed that the remaining Satellite Fields Civil Works performed by the Vendor aggregates (which have been verified and accepted by the Client) to Rs. 4,67,56,240 I- (Rupees Four Crores Sixty-Seven Lakhs Fifty-Six Thousand Two Hundred and Forty only), which need to be added to the claims of the Vendor, apart from Rs. 2,52,75.472/- (Rupees Two Crores Fifty-Two Lakhs Seventy-Five Thousand Four Hundred and Seventy-Two Only) (including IGST @ 18% and subject to TDS @ 1.5%) which is already billed and acknowledged by the Company (Refer Exhibit A for reference}.*



- ii. As per the above clauses of the VSA, it is clear that the VSA was for consolidations of dues payable by the CD to the Applicant and there was no settlement of dues entered into by way of said VSA.
- iii. The CD further argues that the default in payment of instalments under a settlement agreement does not amount to operational debt. However, in our view this settlement agreement was drawn between the parties to consolidate the amounts due arising from the prior failure to pay the dues for the services provided by the Applicant.
- iv. To rebut the above contention of the CD, the Applicant has relied on the judgment of Hon'ble NCLAT in **Ahluwalia Contracts (India) Ltd. v. Jasmine Buildmart Pvt. Ltd.**, 2023 SCC OnLine NCLAT 579, where it was held that, a settlement agreement prescribing the mode of payment does not change the nature of the operational debt. In the present case, the Applicant and the CD had entered into a VSA to consolidate the payments and hence, the above case is applicable to the Applicant for the aforementioned reason and the nature of the debt remains operational debt. The Applicant also relied on the judgment of Hon'ble NCLAT in **Ahluwalia Contracts (India) Ltd. v. Logix Infratech Pvt. Ltd.**, 2022 SCC OnLine NCLAT 3797, where it was held that an MOU prescribing only the method of repayment entered after final certification of bills does not affect operational character of the debt. On the similar lines of reasoning as mentioned for the above case, we are of the view that this case is relevant for the present case.



- v. The dispute of stamping of the VSA raised by the CD do not fall under this jurisdiction. Moreover, based on the other documents placed on record by the Applicant including copies of proforma invoices, correspondence exchanged, etc. the Applicant has been able to establish the existence of debt and the default. This Tribunal relies on the judgment of Hon'ble NCLAT, New Delhi in ***Hiren Meghji Bharani v. Shankheshwar Properties Pvt. Ltd. and Anr., [Company Appeal (AT) (Insolvency) No. 446 of 2023] (2023) ibclaw.in 822 NCLAT***, wherein it was held that,

"The plea of the Appellant, to claim that the unstamped agreement/instrument in question cannot be admitted into evidence under the provisions of the Maharashtra Stamp Act, as a defense, cannot render the corporate insolvency resolution process ("CIRP") non-maintainable, when there exists other material on record to prove existence of default in payment of debt. On this count, we therefore, cannot find any fault in the orders of the Adjudicating Authority."

- vi. Therefore, the plea as raised is not maintainable.
- vii. The issue raised by the CD with regard to resolving any disputes through arbitration as the VSA provides an arbitration clause and the Applicant cannot invoke Section 9 of the IBC, we are of the view that the Applicant has recourse to laws he can invoke and the Applicant bringing this Application under Section 9 of the IBC is not held to be barred as it has fulfilled the criteria of Section 9 of the IBC. This Tribunal relies on the judgment of Hon'ble NCLAT in ***Mr. Shahi Md. Karim vs M/s. Kabamy India LLP, [Company Appeal (AT) (CH) (Ins.) No. 16 of 2023] (2023) ibclaw.in 106 NCLAT***, wherein it is held that *"there is no embargo on the Operational Creditor, to file a Section 9 Petition, under IBC, even if there is an arbitration clause in*



the agreement. The scope and objective of the Code is resolution and not a recovery mode / forum". In light of this judgment, we hold CD's plea baseless.

- viii. Further, the CD states that the Applicant's claim is based on the VSA and also relies on earlier correspondences exchanged before it. These claims were supported only by proforma invoices and not tax invoice and that the alleged debt of Rs. 5,06,93,583/- arose from the proforma invoices. The VSA required the Applicant to raise tax invoices to enable the payment against the claims but none were raised hence, no payment obligation arose for the CD. The CD therefore, states that in view of the same, the threshold of Rs. 1 Crore under Sec. 4 of IBC, 2016 is not met. We are, however, of the view that the CD after accepting the VSA cannot say that the proforma invoices do not raise payment obligation and without having any legal obligation to pay it has executed the 2nd VSA on 29.03.2022 to pay the outstanding dues in 4 to 8 tranches by December, 2022 amounting to Rs. 7,20,31,712/- including IGST at 18% and deducting TDS at 1.5%. This acknowledgment of the CD makes the CD's contention moonshine and illusory.
- ix. Further, the Tribunal has placed reliance on the judgment of Hon'ble NCLAT in ***Apya Capital Services Pvt. Ltd. v. Guardian Homes Pvt. Ltd., [Company Appeal (AT) (Ins) No. 412 of 2020] (2020) ibclaw.in 357 NCLAT***, wherein the Hon'ble Court held that, the proforma invoices constitute a valid debt as it was acknowledged by the CD. In the present case, the CD has acknowledged the proforma



invoices and hence, the invoices constitute valid debt and a payment obligation arises on the CD.

- x. The CD states that the Applicant acknowledged the receipt of Rs.49,25,000/- and demanded Rs. 5,09,35,200/- as balance dues. We observe that the CD had made only part payment and is escaping the balance due to the Applicant. The CD had acknowledged to make payments in the VSA dated 29.03.2022 which is reproduced as below:

- “M. The Company agrees to adhere to make the payment as per schedule provided in Exhibit B to the extent practical and possible. It also undertakes to make the payment of any taxes like GST and TDS as applicable on the transactions concluded with the Vendor. The Vendor has the right to recover TDS or GST in case the Company fails to pay in subsequent payment tranches.*
- N. The Vendor agrees that any payment received by the Vendor (after executing the Agreement) made by the Company would be appropriated and accounted towards the outstanding dues finalized and firmed up under this Agreement. If the Vendor refuse to accept the Agreement after receiving the payments so made by the Company, the Vendor shall first refund the payments so received from the Company and before taking any action against the Company.”*

- xi. The CD states that the payments to the Applicant's subcontractors were made directly as per the value agreed among Applicant and sub-contractors. Halliburton Offshore paid Rs. 2,33,78,000/- on behalf of the CD to 3 sub-contractors of the Applicant. We observe that the VSA (which is dated 29.03.2022) is subsequent to the correspondence, (which is dated 02.03.2022, 07.03.2022 and 23.03.2022) produced by the CD relating to the payments to the sub-contractors by Halliburton Offshore and therefore, after having accepted payment obligation to the Applicant to the extent of Rs.



7,20,31,712/- as per the VSA, the CD cannot take the plea that the payment claimed to be made by Halliburton Offshore on behalf of the Applicant was not considered while executing the VSA.

xii. The CD further points out that Clause R of the VSA which is produced above at paragraph no. 3.19 stating that the parties to the VSA have agreed that the vendor cannot opt out of the agreement once disbursement of first tranche is made and as reiterated in the above findings that the CD has paid the first tranche on 18.08.2021, further it is stated that the vendor cannot pursue legal actions against the company. As we see that this clause only speaks about vendor not to pursue legal actions. It does not state that no legal action can be pursued by the Applicant even if the CD makes default in making the payment and does not itself implement to VSA. Therefore, this contention cannot be regarded as supporting the case of the CD.

xiii. The CD contests that the Applicant has wrongly claimed GST of Rs. 1,11,29,363/- as part of the debt without raising invoices. However, we observe from clause J of the VSA dated 29.03.2022 (on page No. 699 of the Application) that the CD had agreed to pay the total claim of Rs. 7,20,31,712/- of the Applicant and that the said amount was inclusive of IGST @ 18%. In view of the same the stand of the CD that the GST has been wrongly claim is not maintainable. The relevant paragraph J of VSA is reproduced hereunder:-

"J. The Vendor acknowledges that the total claim of Rs. 7,20,31,712/- (Rupees Seven Crores Twenty Lakhs Thirty One Thousand Seven Hundred and Twelve Only) (including IGST @ 18%



and subject to TDS @ 1.5%) is in full and final settlement of old dues/claims of the Vendor and includes all consideration payable to the Vendor. Neither the Vendor nor the Company has the right vary this claim and there is nothing more payable to the Vendor by the Company after the payments under this agreement. (Refer Exhibit-B for reference)".

- xiv. The stand of the CD that interest of Rs. 2,40,37,682/- @ 20.25% is unsustainable because there is no agreement entitling such interest, cannot be accepted as the Applicant has claimed interest @ 20.25% p.a. for default in payment of the principal amount, which is based on three times the bank rate notified by the RBI as per the provisions of Section 16 of MSMED Act, 2006. In this regard it is relevant to refer to intimation dated 25.04.2025 made by MSE Facilitation Council, MSEF Council District (South), Delhi to the CD vide which the CD has been advised to pay the dues of the Applicant immediately and not later than 15 days from the date of receipt of notice failing which case will be registered by MSEF Council District (South), Delhi. The said intimation has been attached by the CD on page No. 51 to 55 of its reply dated 06.05.2025. The same confirms the eligibility of the Applicant to claim the benefit under the MSMED Act, 2006. The contention of the CD that the Applicant has not claimed interest before the MSME SAMADHAN portal is not maintainable for the reason that when a specific provision under an Act provides for payment of interest even without there being a provision in the agreement between the parties, non mentioning of the interest before



the MSEF Council does not bar the Applicant from claiming what is statutorily available to it. In this regard Section 16 of MSMED Act, 2006 is reproduced hereunder:-

“Section 16. Date from which and rate at which interest is payable

Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank”

- xv. The Applicant has attached the board resolution dated 03.06.2024 authorising Mr. JS Anand, Director of the Applicant to sign the present Application. The Board Resolution dated 03.06.2024 is annexed on page no. 34 of the Application.
- xvi. The issue raised by the CD regards the date of default not mentioned in the Application, the Applicant in Part-IV of the Applicant on page No. 25 has clearly stated that interest has been charged w.e.f. the date of default of 01.01.2023. Further, the Applicant has attached the computation of interest payable and the default of the same on page no. 35 of the Application. The date of default is clearly stated therein as 01.01.2023.
- xvii. The contention of the CD that it has disputed the debt on the NeSL platform is moonshine and illusory as the NeSL Form-D attached on page No. 37-A of the Application clearly states the date of default as 01.01.2023 and status of authentication of default as “deemed to be



authenticated". The said Form-D further states that the said status was based on information submitted on 16.08.2024. It appears that the respondent is relying upon some statement attached as part of NeSL Form on page No 37-E of the Application, which states that the status of authentication of default as "disputed", however, the said statement provides that the basis of the said status was some submissions made to NeSL on 28.06.2024, which was prior to the information dated 16.08.2024, based on which the record of default in Form-D stating the status of authentication of default as "deemed to be authenticated" has been issued. In any case the Applicant has produced various documents including the VSA vide which CD has admitted the dues and that there was no dispute regarding the same.

8.7 The Hon'ble Supreme Court in ***Mobilox Innovations Pvt. Ltd. v. Kirusa Software Pvt. Ltd.***, (2018) 1 SCC 353, held that where there exists a plausible dispute prior to the issuance of the demand notice, the Adjudicating Authority must determine the existence of a debt and the occurrence of default, and that there exists no pre-existing dispute before the issue of demand notice. In view of this judgement, it is seen that there exist a debt and default on part of the CD and no pre-existing dispute is raised by the CD.

8.8 The date of default is stated as 01.01.2023 which is the date when the entire admitted debt became due and payable.

8.9 The Applicant has filed the Application on 03.07.2025 which is within limitation period.



- 8.10 The Applicant has attached the Section 9(3)(b) affidavit stating that no dispute is raised by the CD with regard to the unpaid operational debt.
- 8.11 The NeSL record of default in Form D had been attached by the Applicant in the Application. The status of authentication is “Deemed to be Authenticated”. The date of default is stated as 01.01.2023 and the amount claimed is Rs. 9,18,46,849/-.
- 8.12 We also hold that the CD has failed to establish that the Application has been filed to extract money from the CD as has been alleged in its reply. Moreover, the Applicant has been able to establish the existence of debt recoverable from the CD and the default committed by the CD in making payment of the same.
- 8.13 In view of the above findings, it is clear that the Applicant has placed on record necessary evidences and materials to demonstrate the existence of the financial debt exceeding the minimum threshold of Rs.1 Crore prescribed under Section 4 of the Code due and payable by the CD as well as the default in repayment thereof by the CD. The Application is complete as all the relevant documents have been attached by the Applicant along with the Application.
- 8.14 The Applicant has not proposed the name of an IRP. This Tribunal appoints Mr. Madan Bajarang Lal Vaishnawa as the IRP from the panel being maintained by IBBI. On perusal of the IBBI website, it is observed that the proposed IRP has valid AFA till 31.12.2025.
- 8.15 We find that all pre-requisites of Section 9 of the Code are fulfilled and, accordingly, we are satisfied that the instant Application is fit for admission



under Section 9 of the Code. The Applicant has attached all the documents as required and therefore the Application is complete.

8.16 We make it clear that at this stage we have not crystallised the amount as claimed in this Application; the same is left to be collated by the IRP.

ORDER

This Application bearing C.P. (IB) No. 99/MB/2025 under Section 9 of the IBC, filed by M/s EnQuest PetroSolutions Private Limited, the Operational Creditor, for initiating CIRP in respect of M/s Sparklet Engineers Private Limited, the CD is **admitted**.

We further declare a moratorium under Section 14 of IBC, 2016 with consequential directions as mentioned below:

- I. We prohibit:
 - a) the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor, including the execution of any judgment, decree, or order in any court of law, tribunal, arbitration panel, or other authority;
 - b) transferring, encumbering, alienating, or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
 - c) any action to foreclose, recover, or enforce any security interest created by the Corporate Debtor in respect of its property, including



- any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, and;
- d) the recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.
- II. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.
- III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the IBC or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.
- IV. That the public announcement of the CIRP shall be made immediately as specified under Section 13 of the IBC read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.
- V. That this Bench hereby appoints **Mr. Madan Bajarang Lal Vaishnawa**, having **Registration No. as IBBI/PA-001/IP-P-02011/2020-2021/13052**, and **e-mail address madan.vaishnawa@icai.org**, having valid Authorisation for Assignment up to 31.12.2025 as the IRP to carry out the functions under the IBC.
- VI. That the fee payable to IRP/RP shall be in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.
- VII. That during the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of Section



17 or Section 25, as the case may be, of the IBC. The officers and managers of the Corporate Debtor are directed to provide all assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. Coercive steps will follow against them under the provisions of the IBC read with Rule 11 of the NCLT Rules for any violation of law.

- VIII. That the IRP/IP shall submit to this Tribunal monthly reports with regard to the progress of the CIRP in respect of the Corporate Debtor.
- IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Financial Creditor is directed to deposit a sum of Rs.3,00,000/- (Three Lakh Rupees) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the Financial Creditor on priority upon the funds becoming available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.
- X. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai for updating the Master Data of the Corporate Debtor.
- XI. The IRP is directed to issue notice of admission upon all the statutory authorities of the Corporate Debtor without fail.
- XII. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.
- XIII. The Registry is directed to immediately communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.



XIV. **Compliance report of the order by Designated Registrar is to be submitted today.**

Sd/-

SAMEER KAKAR
MEMBER (TECHNICAL)

//AS,VM & SS//

Sd/-

NILESH SHARMA
MEMBER (JUDICIAL)