

NATIONAL COMPANY LAW APPELLATE TRIBUNAL,
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Insolvency) No. 1751 of 2025

(Arising out of Order dated 24.09.2025 passed by the Adjudicating Authority (National Company Law Tribunal), Bench V, New Delhi in Company Petition (IB) No.329/ND/2024)

IN THE MATTER OF:

Tech Lads India Private Limited ...Appellant

Versus

Satnam Global Infraprojects Limited ...Respondent

Present:

For Appellants : Mr. Abhijeet Sinha, Sr. Adv. with Iswar Mohapatra, Animesh Pandey, Adv.
For Respondent : Ms. Pooja Mehra Saigal, Sr. Adv. with Nivesh Dixit, Adv.

J U D G M E N T

ASHOK BHUSHAN, J.

This Appeal has been filed challenging the order dated 24.09.2025 passed by National Company Law Tribunal (“**NCLT**”), Bench V, New Delhi in Company Petition (IB) No.329/ND/2024, which application was filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the “**IBC**”) by the Appellant seeking initiation of Corporate Insolvency Resolution Process (“**CIRP**”) against the Corporate Debtor (“**CD**”) claiming default in the ‘operational debt’. The Adjudicating Authority by the impugned order rejected Section 9 application taking the view that in the transactions there was no operational debt, on the basis of which Section 9 application could be admitted. Aggrieved by the order rejecting Section 9 application, this Appeal has been filed.

2. Brief facts of the case necessary to be noticed for deciding the Appeal are:

- (i) The Appellant Company is registered at Greater Noida, Gautam Buddh Nagar, U.P. The Satnam Global Infraprojects Ltd. (“**CD**”) is a Company incorporated on 09.02.1987. Its registered office is at Patpar Ganj, Delhi.
- (ii) Both the Appellant and the CD entered into a Consortium Agreement on 29.05.2020 to bid for the Tender for supply, installation, implementation and integration of Meghalaya Multi Lane Free Flow Vehicle Monitoring System on Full Turnkey Contract Basis floated by Telecommunication Consultants India (“**TCIL**”). The parties agreed to form a Consortium to bid for the Project, which Agreement described the general conditions and the arrangements required to participate in the tender. The Consortium Agreement contained terms and conditions, where the Tech Lads (Appellant) was lead bidder and solely responsible for supply and implementation of the Meghalaya Multi-Lane Free Flow Vehicle Monitoring System (“**MLFF-VMS**”) and the CD was responsible for entire financial management of the Project. The Agreement also contained a condition that Tech Lads shall make the due payments to CD and other sub-vendors for the supplies and services rendered as per their scope of work. Conditions also provided for indemnification by Tech

Lads to save the CD harmless from all claims, rights, actions, expenses or demands of the Client.

- (iii) The Appellant being lead Member of the Consortium submitted their tender for the work, which tender was accepted and Letter of Intent (“**LoI**”) was issued on 26.10.2020 by TCIL informing that bid for the subject Tender for an amount of Rs.41,06,40,000/- has been accepted. The detailed Price Schedule was also enclosed at Annexure-I. The parties started implementing the contract.
- (iv) On 20.04.2021, the Appellant made RTGS payment of Rs.8,00,00,000/- to the CD for supply of materials. The Appellant demanded the CD to refund the full amount, the materials having not supplied. The CD issued four cheques of Rs.2 crores each on 05.09.2023 in favour of the Appellant, which cheques, as per the Appellant were returned to the CD on its request that it shall make the payment by RTGS, whereas CD’s claim was that original cheques were never handed over to the CD and only photocopies of the cheques were shared.
- (v) The CD uploaded an Invoice dated 26.03.2024 at GST portal showing supply of goods to the Appellant amounting to Rs.4,72,66,500/-.
- (vi) The Appellant issued a Demand Notice under Section 8 of the Insolvency and Bankruptcy (Application to Adjudicating

Authority) Rules, 2016, demanding outstanding amount of Rs.6.20 crores as principal with interest totaling to Rs.9,29,55,562/-. The demand was made after adjusting the amount received from the CD. It was mentioned in the Demand Notice that amount of Rs.8 crores was paid to the CD to deliver the goods within 15 days, the CD failed to deliver the goods. The CD on 24.04.2024 sent an email to the Appellant informing that they are finalizing and reconciling their books and accounts and will inform as and when the same is complete.

- (vii) The Appellant filed an application being CP(IB)No. 329/ND/2024 praying for initiation of CIRP. In Section 9 application, the Appellant gave details of the outstanding amount in default. Date of default mentions as 18.06.2021. Relevant documents including Bank Statements and cheques issued by CD were annexed.
- (viii) Section 9 application was replied by the CD. In the reply filed by the CD, the receipt of the amount of Rs.8 crores was not denied. However, it was pleaded that Consortium Agreement dated 29.05.2020 has not been disclosed and Consortium Agreement dated 04.07.2020 was not given effect to. The CD pleaded that since the CD was responsible for financials of the Project the Operational Creditor (“OC”) was required to deposit a security with the CD and the amount of Rs.8 crores

is security deposit by the Appellant to secure the financial facilities advanced by the CD. Receipt of the Demand Notice was admitted and email dated 24.04.2024 sent by the CD was also pleaded. It was pleaded that there is no operational debt involved in the transaction. Both Consortium Members had bid for the Project and both the Members had to work together to complete the Project and there was no operational debt in existence. It was the Appellant, who was responsible for supply and implementation of the Project. The CD was required to provide requisite Performance Bank Guarantee (“**PGB**”) for the Project. The parties were to act as independent contractors and services were being rendered to main client namely - Telecommunication Consultants India Ltd. The issuance of Invoice amounting to Rs.4,72,66,500/- was not denied. However, it was pleaded that Invoices were immediately withdrawn. The Respondent has not yet issued the final bills regarding the value of financial services provided. The Respondent has performed work worth more than Rs.10 crores.

- (ix) The Adjudicating Authority heard the parties and by the impugned order rejected the application under Section 9. It has been held that the Appellant has failed to establish existence of operational debt and the Appellant cannot be treated as an Operational Creditor, hence, the application

under Section 9 is not maintainable. The Adjudicating Authority further held that parties have undertaken obligations/ duties towards the performance of TCIL Project and not towards each other. However, the Adjudicating Authority looking to the Bank Statements filed by the Appellant noticed that amount of Rs.8 crores was credited to the CD on 20.04.2021. The reasons given for rejecting the application under Section 9 are contained in Paragraphs 17, 18 and 19 of the impugned order, which are as follows:

“17. Resorting to the facts of the present case, it is an undisputed fact that a Consortium Agreement dated 29.05.2020 was executed between the Applicant and the Respondent. On a careful examination of the provisions of the Consortium Agreement, we find that parties have undertaken obligations/duties towards the performance of TCIL Project not toward each other. The true intent and object of the Agreement dated 29.05.2020 is confined to the demarcation of duties/obligations for execution of the TCIL project. Both parties had come together for the execution of project awarded by the TCIL, it does not intent any inter-se commercial transaction between the parties.

18. The Applicant has placed on record bank statements as Annexure P-6 and copies of cheques issued by the Corporate Debtor as Annexure P-7 to support its claim of INR 8 Crore. The Bank Statements shows that an amount of INR 8 Crore was credited to the Corporate Debtor on 20.04.2021. However, except bank statement and copies of cheques, the Applicant has not produced any further documentary evidence such as orders, letter/correspondence, or any relevant clauses of the Consortium Agreement, to establish the existence of any operational debt. In the absence of such

material it would be unjust to conclude that an operational debt exists merely based on the bank statement and cheques relied upon by the Applicant. Thus, we find no merit in the contentions of the Applicant Operational Creditor. National Company Law

19. In view of the foregoing analysis, we hold that the Applicant has failed to establish the existence of an "operational debt" as defined under Section 5(21) of the Code. Consequently, the Applicant cannot be treated as an "operational creditor" under Section 5(20). The present petition under Section 9 of the Code, filed by M/s Tech Lads India Pvt. Ltd. against Satnam Global Infra Projects Limited, is therefore not maintainable and stands dismissed, with no order as to costs."

- (x) The plea of the CD that amount of Rs.8 crores was given as security deposit for performance of the Applicant's obligations was considered and rejected. The defense raised by the CD that amount of Rs.8 crores towards security deposit has not been accepted. In Paragraph 15 of the impugned order, the Adjudicating Authority made following observations:

"15. With regard to the contention of the Respondent, it is observed that the Consortium Agreement only provides for furnishing of a Performance Bank Guarantee in favour of TCIL. The Respondent has alleged that the amount of INR 8 Crore was a security deposit for performance of the Applicant's obligations and to secure the financial facilities advanced by the Respondent towards the project. However, to substantiate this assertion, the Respondent has failed to place on record any supporting document evidencing such an understanding between the parties. Furthermore, the Consortium Agreement dated 29.05.2020 is silent as to any security deposit payable by the Applicant, in favour of the

Respondent. In the absence of any supporting material, we are not inclined to rely upon the contention of the Corporate Debtor.”

3. We have heard Shri Abhijeet Sinha, learned Senior Counsel with Shri Iswar Mohapatra, learned Counsel appearing for the Appellant and Ms. Pooja Mehra Saigal, learned Senior Counsel with Shri Nivesh Dixit, learned Counsel appearing for the Respondent.

4. Learned Counsel for the Appellant challenging the impugned order submits that Adjudicating Authority committed error in coming to conclusion that there is no ‘operational debt’, whereas the payment of Rs.8 crores was made to the CD for supply of materials in the Project. The Consortium Agreement unequivocally establishes the existence of *inter se* commercial obligations between the parties. Learned Counsel for the Appellant has referred to Clauses (h), (i) and (k) of the Consortium Agreement dated 29.05.2020. It is submitted that there being *inter se* obligations between the parties and the Appellant was liable to make the payment for supplies made by the CD and other vendors and advance payment was towards the supply of goods and is an ‘operational debt’ within the meaning of the provisions of Section 5(21) of the IBC. In the Demand Notice, the Appellant has categorically pleaded that amount of Rs.8 crores was paid as an advance towards supply of goods. Although, email dated 24.04.2020 was sent after receipt of the Demand Notice, there was no denial to the liability, the email merely stated that accounts is under reconciliation. The absence of any specific denial constitutes a clear and unequivocal admission that the payment was made pursuant to

the contractual supply obligations under the Consortium Agreement. The fact that the CD uploaded an Invoice for an amount of Rs.4,72,66,500/- on GST portal, which claimed supply to the OC, which Invoice was totally false and fictitious and was to cover the unpaid amount. The Appellant immediately filed a complaint before the Commissioner of GST that the said Invoice is fake. After the complaint having been filed by the Appellant, the CD immediately withdrew the Invoice, which fully supports that no supply was ever made and the amount advanced has not been refunded. It is submitted that Adjudicating Authority committed error in rejecting Section 9 application, where operational debt is fully proved. There was no dispute raised prior to issuance of Demand Notice and email regarding reconciliation is an afterthought. The Adjudicating Authority has not correctly construed the Consortium Agreement and obligations of each party and has come to wrong conclusions.

5. Learned Senior Counsel appearing for the Respondent refuting the submissions of learned Counsel for the Appellant submits that the Adjudicating Authority has rightly held that there is no 'operational debt'. The burden lies on the Appellant to prove that amount of Rs.8 crores was a claim in respect of provision of goods or services. Apart from a bank entry dated 20.04.2021 and copies of cheques, no document was produced, including purchase order, invoice, specification, delivery schedule etc. Consortium Agreement dated 29.05.2020 is not an *inter se* supply contract. There is no shred of detail or description of the goods

allegedly to be supplied, nor a single invoice or purchase order or email identifying what goods are on the record. The amount of Rs.8 crores was for security and not an advance for supply of goods. Rival contentions rendered the matter a triable issue/ pre-existing dispute, due to which Section 9 application could not be admitted. Reliance placed by the Appellant on judgment of the Hon'ble Supreme Court ***Consolidated Construction Consortium Ltd. v. Hitro Energy Solutions (P) Ltd., (2022) 7 SCC 164*** is misplaced, in which case the supply agreement was already in existence, whereas there is no such supply agreement between the parties in the present case. IBC is not a recovery Forum.

6. We have considered the submissions of learned Counsel for the partis and have perused the record. Learned Counsel for both the parties have placed reliance on various judgments of Hon'ble Supreme Court and this Tribunal, which we shall notice hereinafter.

7. Both the parties relied on the Consortium Agreement dated 29.05.2020. It is admitted by both the parties and as per Consortium Agreement that Tech Lads was the lead bidder and the CD – Satnam Global Infra Projects Ltd. is a Consortium Partner and both have come together to submit a bid for the tender for supply, installation, implementation and integration of Meghalaya Multi-Lane Free Flow Vehicle Monitoring System floated by Telecommunications Consultants India. It is useful to notice following part of the Consortium Agreement:

“AND WHEREAS the parties have agreed to form a Consortium to bid for the Project and this Agreement describes the general conditions and arrangements required to participate in the tender

and fulfill the necessary conditions on the terms and conditions more particularly contained herein.

- a. Tech Lads would be the lead bidder solely responsible for supply and implementation of the Meghalaya Multi-Lane Free Flow Vehicle Monitoring System (MLFF-VMS) project inline with all terms and conditions of the client.
- b. SGIL will be the consortium bidder and shall be responsible for entire financial management of the project, upon winning the bid to provide required PBG.
- c. Mr. Prashaant Kr. Goswami, CEO Tech Lads shall be the authorized signatory to digitally sign and submit all documents and forms and deeds for the purpose of Meghalaya Multi-Lane Free Flow Vehicle Monitoring System (MLFF-VMS) tender submission.
- d. Tech Lads would supply and implement the complete Meghalaya Multi-Lane Free Flow Vehicle Monitoring System (MLFF-VMS) solution along with I servers required for Meghalaya Multi-Lane Free Flow Vehicle Monitoring System (MLFF-VMS) implementation, to its client(s) as per the application requirement and specification of the RFP.
- e. SGIL will provide reasonable assistance to Tech Lads to prepare/ submit a qualified Proposal with the customer.
- f. Tech Lads would be responsible for the successful execution of the Meghalaya Multi-Lane Free Flow Vehicle Monitoring System (MLFF-VMS) implementation as per the RFP scope.
- g. Tech Lads would provide support for the complete Meghalaya Multi-Lane Free Flow Vehicle Monitoring System (MLFF-VMS) solution during the Three years AMC period
- h. As a consortium partner, SGIL will be responsible for finance, PBG..
- i. SGIL will be solely responsible for supply, installation and commissioning of all specified Poles and related items as specified in the tender.
- j. The parties hereto agree that all financial transactions as and when required shall be undertaken by Tech Lads including payment followup and release from the client.
- k. Parties further agree that Tech Lads shall make the due payments to SGIL and other sub-vendors for the supplies and services rendered as per their scope of work.”

8. There cannot be any dispute that the Consortium Agreement was entered with the object to submit a Tender for the above Project. The Appellant who was lead bidder was solely responsible for supply and

implementation of the Project and the CD was responsible for entire financial management of the Project, upon winning the bid to provide required PBG. Letter dated 26.10.2020 was issued to the Appellant (in Consortium with the CD) awarding the Tender and LoI was issued with respect to Project for Department of Mining and Geology, Government of Meghalaya. Bid for Rs.41,06,40,000/- was affected. Price Schedule was also annexed at Annexure-1 to the LoI, which mentions price for various items to be utilized in the Project. As noted above, the Adjudicating Authority has rejected Section 9 application holding that there is no 'operational debt' in the transaction which parties have undertaken obligations/ duties towards the performance of TCIL Project and not towards each other. The Adjudicating Authority held that both the parties have come together for the execution of the Project awarded by TCIL and it does not *inter se* was commercial transaction between the parties.

9. The 'operational debt' is defined in Section 5(21) in following words:

“5(21) “operational debt” means a claim in respect of the provision of goods or services including employment or a debt in respect of the payment of dues arising under any law for the time being in force and payable to the Central Government, any State Government or any local authority;”

10. Operational debt is a claim in respect of the provision of good or services. The Adjudicating Authority rejected the claim on the ground that there is no 'operational debt' and there is no *inter se* commercial transaction between the parties. The above observation of the Adjudicating Authority is not in accord with the terms and conditions of

the Consortium Agreement. We have noticed the terms and conditions of Consortium Agreement above. It is useful to recapitulate the Clauses (i) and (k), which are as follows:

“i. SGIL will be solely responsible for supply, installation and commissioning of all specified Poles and related items as specified in the tender.

k. Parties further agree that Tech Lads shall make the due payments to SGIL and other sub-vendors for the supplies and services rendered as per their scope of work.”

11. When we look into the terms and conditions of the Consortium Agreement, it is clear that Consortium Agreement was entered between the parties with the object of submitting a Tender and in event the Tender is accepted the manner and mode of performance of the Project *inter se* responsibility and obligations are also captured in the Consortium Agreement. The most crucial condition, which is relevant in the present case is condition (k), which says that the “*parties further agree that Tech Lads shall make the due payments to SGIL and other sub-vendors for the supplies and services rendered as per their scope of work*”. Thus, the Agreement clearly contemplated supply by CD and payment by Tech Lads (Appellant). The Adjudicating Authority committed error in observing in the impugned order that Consortium Agreement does not have any *inter se* commercial transaction between the parties. The payment of Rs.8 crores by RTGS by the Appellant to the CD is an admitted fact. The Appellant’s categorical case in Demand Notice as well as in Section 9 application is that above amount was advanced payment to the CD for

supply of goods, which goods were not supplied by the CD. It is relevant to notice that CD came with the defense in its reply to Section 9 application that amount of Rs.8 crores was paid by the Appellant as security to the CD. The said plea was pleaded in Paragraph 14 of the reply, which is as follows:

“14.Since the Respondent was responsible for financing the project, the Petitioner was required to deposit a security with the Respondent for performance of Petitioner's Obligations. It is submitted that on 20.04.2021, the Petitioner deposited INR 8 Crores with the Respondent as a security amount for the performance of Petitioner's obligations under the project and to secure the financial facilities being advanced by the Respondent towards the project. It was decided that this security amount would be adjusted against the profits and invoices at the completion of the project.”

12. The CD, thus, admitted the amount of Rs.8 crores, but pleaded that it is a security amount for the performance of Petitioner's obligations under the Project and to secure the financial facilities being advanced by the Respondent.

13. As noted above, the above defense raised by the CD has been rejected. The Adjudicating Authority in Paragraph 15, has rejected the defense in following words:

“15. With regard to the contention of the Respondent, it is observed that the Consortium Agreement only provides for furnishing of a Performance Bank Guarantee in favour of TCIL. The Respondent has alleged that the amount of INR 8 Crore was a security deposit for performance of the Applicant's obligations and to secure the financial facilities advanced by the Respondent towards the project. However, to substantiate this assertion, the Respondent has failed to place on record any supporting document evidencing such an understanding between the parties. Furthermore, the Consortium

Agreement dated 29.05.2020 is silent as to any security deposit payable by the Applicant, in favour of the Respondent. In the absence of any supporting material, we are not inclined to rely upon the contention of the Corporate Debtor.”

14. Learned Counsel for the Appellant has relied on the judgment of the Hon’ble Supreme Court in ***Consolidated Construction Consortium Ltd. v. Hitro Energy Solutions (P) Ltd., (2022) 7 SCC 164*** in which case, the Hon’ble Supreme Court had occasion to consider the definition of ‘operational debt’ under Section 5(21) of the IBC. The above was the case where an advance was made for supply of materials and the payment of Rs.50 lakhs to CMRL was not denied. It is useful to notice Paragraphs 50, 50.1 and 50.2 of the judgment, which are as follows:

“50. It is then that we come to the core of the dispute-while the appellant has argued that the debt is in the nature of an operational debt which makes them an operational creditor, the respondent has opposed this submission. The respondent's submission, which was accepted by NCLAT, seeks to narrowly define "operational debt" and "operational creditors" under the IBC to only include those who supply goods or services to a corporate debtor and exclude those who receive goods or services from the corporate debtor. For reasons which shall follow, we reject this argument:

50.1. First, Section 5(21) defines "operational debt" as a "claim in respect of the provision of goods or services". The operative requirement is that the claim must bear some nexus with a provision of goods or services, without specifying who is to be the supplier or receiver. Such an interpretation is also supported by the observations in the BLRC Report, which specifies that operational debt is in relation to operational requirements of an entity.

50.2. Second, Section 8(1) IBC read with Rule 5(1) and Form 3 of the 2016 Application Rules makes it abundantly clear that an operational creditor can issue a notice in relation to an operational debt either through a demand notice or an invoice. As such, the presence of an invoice (for having supplied goods or services) is not a sine qua non, since a demand notice can also be issued on the basis of other documents which prove the existence of the debt. This is made even more clear by Regulations 7(2)(b)(i) and (ii) of the 2016 CIRP Regulations which provide an operational creditor, seeking to claim an operational debt in a CIRP, an option between relying on a contract for the supply of goods and services with the corporate debtor or an invoice demanding payment for the goods and services supplied to the corporate debtor. While the latter indicates that the operational creditor should have supplied goods or services to the corporate debtor, the former is broad enough to include all forms of contracts for the supply of goods and services between the operational creditor and corporate debtor, including ones where the operational creditor may have been the receiver of goods or services from the corporate debtor.”

15. Hon’ble Supreme Court has held that operative requirement is that the claim must bear some nexus with a provision of goods or services. It was further held that Operational Creditor can issue a notice in relation to an operational debt either through a demand notice or an invoice. Present is a case where Demand Notice was issued under Section 8, which notice can be issued on the basis of other documents, which prove the existence of debt.

16. There is one more aspect of the matter, which needs consideration. The Appellant in Section 9 application has brought on record four cheques each of Rs.2 crores issued on behalf of the CD in the name of Operational Creditor. In the Demand Notice, which was issued by the

CD, details of four cheques dated 05.09.2023 drawn on Canara Bank have been mentioned. The Demand Notice gives details of the outstanding amount after adjusting the amount received from the CD. It is useful to notice entire Demand Notice for appreciating the controversy between the parties, which is as follows:

“TECH LADS INDIA PRIVATE LIMITED
Regd Office: A-163 Alpha-1, Gautam Buddha Nagar, Greater Noida,
Uttar Pradesh, India, 201308.
Branch: Near Barik Bus Stand, Soso Tham Road, Shilong, East
Khasi Hills, Meghalaya, 793003
Ph. +91-89206-56076, Email ceo@techlads.in
UAN: UDY AM-UP-28-0003911, CIN: U74999UP 2017PTC096269

Dated 08.04.2024

To

The Managing Director
SATNAMGLOBAL INFRAPROJECTS LIMITED
Plot No. 272, Fie Industrial Area, Patpar Ganj, Delhi, Delhi, India,
110092

**Sub: DEMAND NOTICE DEMANDING PAYMENT UNDER THE
INSOLVENCY AND BANKRUPTCY CODE, 2016.**

R/Sir/Madam,

1, Surender Mohan Goswami, Director of Tech Lads indla Private Limited' (CIN: U74999UP2017PTC096269) duly authorized by the company to issue aforesaid demand notice (Form-3 attached) is writing this letter to collect on debts as per detail:

On 20.04.2021 Tech lads India Private Limited made a payment of Rs. 8,00,00,000.00 to make purchases from your company Satnam Global hfraprojects Limited to deliver the goods within 15 days. But you did not honour the order and never delivered the required goods. We requested you to return our payment with 18% interest or supply the goods so that we could complete our project but you failed to do the same.

On 18.06.2021 you made two partial payments of Rs. 30,00,000.00 and Rs. 20,00,000.00 and defaulted the balance amount as follows:

Total Amount Paid by Tech lads india Private Limited on 20.04.2021: Rs. 8,00,00,000.00

Advance made by Satnam Global Infraprojects Limited:

1. Payment received on 07.04.2021: 25,00,000.00

2 Payment received on 09.04.2021: 10,00,000.00

3. Payment received on 13.04.2021 : 20,00,000.00
4. Payment received on 18.06.2021 : 30,00,000.00
5. Payment received on 18.06.2021 : 20,00,000.00
Total 1,05,00,000.00
Amount due as on 18.06.2021 Rs. 6,95,00,00.00
(After adjusting amount of Rs. 1,05,00,000.00)

We made you several request to pay the defaulted amount with 18% P.A interest but you ignored the same. However, on 29.03.2022 and 30.03.2022 you made some partial payment of Rs.50,00,000.00 and Rs.25,00,000.00 respectively.

Due to negligence and non-payment of defaulted amount by Satnam Global we faced lot of difficulties in completing the project (in which Satnam Global was also party to consortium).

After several requests on 05.09.2023 you agreed to pay Rs.8,00,00,000.00 (inclusive of 18% PA interest) as full and final amount and you issued four cheques (copies attached) as follows:

1. Cheque No. 511696 amt to Rs. 2,00,00,000.00 dated 05.09.2023 drawn on Canara Bank.

2 Cheque No. 511697 amt to Rs. 2,00,00,000.00 dated 05.09.2023 drawn on Canara Bank.

3. Cheque No. 511698 amt to Rs. 2,00,00,000.00 dated 05.09.2023 drawn on Canara Bank.

4. Cheque No. 511699 amt to Rs. 2,00,00,000.00 dated 05.09.2023 drawn on Canara Bank.

But after issuing the cheque you made us request to return the cheques as Satnam Global wanted to make the payments through RTGS. We accepted your request and Tech Lads returned the cheques in good faith.

But after returning the aforesaid cheques you never made the payment.

Further on Satnam Global uploaded on GST portal a fake invoice (Snapshot of GSTi Portal attached) GST/ML/23-24/152 dated 26.03.2024 as follows:

E-Invoice No.	Name of supplier	Taxable amount	CGST	SGST	Total Invoice value
GS1/ML/23-24/152	Satnam global infra projec	4,00,56,356.00	36,05,072.00	36,05,072.0	4,72,66,500.00

Company (Tiech lads has taken very serious view of fake billing and considering legal options).

So, Tech lads has decided to give you final opportunity to make the payment of defaulted amount of Rs. 9,29,55,562.00 (Inclusive of 18% P.A Interest).

Computation of defaulted amount is as follows:

Outstanding as on	Amount Outstanding (in Rs.) on	Period of interest	Days	Rate (P.A.)	Interest (In Rs.)
29.03.2022	6,95,00,000.00	19.06.2021 to 29.03.2022	243	18%	83,28,575.00
30.03.2022	6,45,00,000.00	29.03.2022 to 30.03.2022	1	18%	31,808.22
08.04.2024	6,20,00,000.00	31.03.2022 to 05.04.2024	739	18%	2,25,95,178.00
	Total Interest				3,09,55,561.64
	Outstanding amount after adjusting all payments				6,20,00,000.00
	Total defaulted amount (Interest plus Outstanding amount as on 08.0.2024)				9,29,55,562.00

Note: Satnam Global has made Bank Guarantee amounted to Rs. 1,23,19,200.00 for the consortium. Bank Guarantee is Non fund and off-Balance Sheet item for Which Satnam Global has not made any payment except minor Bank Guarantee charges every year to Bank. We authorize Satnam global to deduct the bank charges (After providing proof and detail of bank charges) while making payment of aforesaid defaulted amount.

The undersigned request you to unconditionally repay the unpaid operational debt (in default) in full within ten days from the receipt of this letter failing which we shall initiate a corporate insolvency resolution process in respect of SATNAM GLOBAL INFRAPROJECTS LIMITED.

For Tech Lads India Private Limited
Sd/-
Surender Mohan Goswami
Director
DIN: 07896629

Encls:

1. (Form-3) FORM OF DEMAND NOTICE/INVOICE DEMANDING PAYMENT UNDER THE IN SOLVENCY AND BANKRUPTCY CODE, 2016
2. Copy of Cheques as discussed above
3. Account ledger of Satnam Global Infraprojects Limited in the books of Tech Lads India Private Limited.
4. Snapshot of Fake invoice No. GST/ML/23-24/152 dated 26.03.2024 uploaded on GST portal by Satnam Global.

Copy to:

1. Mr. Bhoopendra Kumar Jain (Managing Director of Satnam global) (via -Email)

2. Mr. Himanshu Jain (Director of Satnam global) (via E-Mail)

3. Mr. Rohit Jain (Director of Satnam global) (via E-Mail)

4. Mr. Sidharth Jain (Director of Satnam global) (via E-mail)

Note: A copy of the same is also being sent via speed post on the registered office of the company (Satnam Global) and email: Info@satnamglobal.in”

17. The Demand Notice was received by the CD on 15.04.2024 and no detailed reply was given to the Demand Notice. However, it is an admitted case of the CD that it sent an email on 24.04.2024 to the Appellant. It is useful to notice the above email dated 24.04.2024, which is as follows:

“priya sharma capriyasharma@gmail.com Wed, 24 Apr at 3:35 PM
To: Prashaant Kumar Goswami <ceo@techlads.co.in>

Dear Sir

We are doing finalise and reconcile our books and accounts and will inform you as and when we complete it,

Thanks & Regards
[Quoted text hidden]”

18. On the first opportunity which the CD had to put its case after receipt of the Demand Notice on 25.04.2024, it did not controvert the case set up by the Appellant that amount of Rs.8 crores was advanced for supply and it came only with a case that “*We are doing finalise and reconcile our books and accounts and will inform you as and when we complete it*”.

19. The fact is also admitted that four cheques drawn in the name of Appellant of Rs.2 crores each totaling to Rs.8 crores, which according to the Appellant were returned to the CD on its request that it shall make the payment by RTGS. In Paragraphs 9.9 and 9.10 of Section 9 application, following have been pleaded:

“9.9 After several negotiation Respondent agreed to make full and final payment of Rs.8,00,00,000/- including interest(Principal amount Rs.6,20,00,000/-) and provided 4(four) no of cheques of Rs.2,00,00,000/-. Copy of cheques (4 nos) issued by Corporate Debtor is enclosed as Annexure-P7.

9.10 Respondent requested Operational Creditor to return the Cheque as they want to make RTGS payment and Operational Creditor returned the cheque on goodfaith. The Respondent has not made the outstanding payment even after several remainders through phone call.”

20. Whereas the Respondent’s case is that original cheques were never handed over and only photocopies were shared and dispute having arisen between the parties, cheques were never handed over. With regard to four cheques of Rs.2 crores each, the CD in its reply has admitted the issuance of cheques in Paragraph 29, which is as follows:

“29.The contents of Paras 9.9 and 9.10 are denied. It is denied that the cheques were issued to make payment of INR 8 crores. These were cheques that were to be issued by Respondent for further financial advance but since disputes and differences had arisen between the parties by then and TCIL had commented upon the non-satisfactory work performed, the Respondent refused to release further sums of money. So these cheques, whose photographs were shared with the Petitioner as further financial advance, were never issued or handed over by the Respondent to the Petitioner. The assertions made by Petitioner with respect to these cheques is completely false and is perjurious.”

21. The issuance of four cheques of Rs.2 crores totaling to Rs.8 crores is thus an admitted fact. When cheques were issued by the CD in the name of Operational Creditor, the fact that cheques were either returned or original were not given to the CD are irrelevant. The issuing of cheques

by the CD, supports the submission of the Appellant that it is an acknowledgement of debt.

22. There is one more aspect which needs to be considered. It is the case of the CD that it has uploaded the Invoice dated 26.03.2024 for an amount of Rs.4,72,66,500/-, which was an Invoice for supply of goods by the CD to the Operational Creditor. The copy of Invoice is on the record. Uploading of the Invoice by the CD claiming to supply of goods to the Operational Creditor fully supports the case of the Appellant that goods were required to be supplied by the CD to the Operational Creditor. The Appellant immediately after coming to know about the uploading of the Invoice, has filed a complaint before the Commissioner of GST stating the Invoice is fake. The copy of the complaint dated 06.05.2024 is on the record, which reads as follows:

“Prashant Joshi managerprojects@techlads.co.in Mon, 6 May, 2024 at 6:00 pm

To: Ramakrishna Chitturi Ram.chitturi.atchuta@gmail.com,
comtax-meg@gov.in

Cc: CA SANDEEP GOEL cagoelsandeep2013@gmail.com

Bcc: Prashaant Kumar Goswami ceo@techlads.co.in

To

The Commissioner of Taxes
Shillong, Meghalaya

Sub: Reporting of Fake E-Invoice no. GST/ML/23-24/152 dated 26.03.2024(Invoice Reference Number: d3c47a788cdc430de76ba6cba8bf8b78fb085 0407dd84316a667080fa42518db Date and Time of Registration 2024-04-03 16:58:25 by Satnam Global Infraprojects Limited through GSTIN: 17AAACS2509K2ZD

Respected Sir,

This is brought to your notice that the aforesaid invoice generated by Satnam global is a fake invoice under section 132 (b) as Satnam global has issued this invoice to us i.e TechLads India Private Limited without supply of goods or services in violation of

provisions of GST laws. Further we declare that we are not going to avail or utilize input credit of aforesaid invoice. You are kindly requested to take necessary action under GST laws against Satnam Global Infraprojects Limited.

Thanks, and Regard
For, TechLads India Private Limited
(GSTIN: 17AAGCT4001K1ZG)”

23. It is also on the record that after receiving the complaint, the Commissioner of GST has initiating proceedings on complaint of the Appellant and notices were issued to the CD. The CD’s own case is that it immediately withdrew the Invoice. Thus, the issuance of Invoice of uploading on the GST portal is not even denied. In Paragraph 30 of the reply, following has been stated:

“30. The contents of Para 9.11 are denied. It is denied that the Respondent had entered fake invoice dated 26.03.2024 at the GST portal amounting to INR 4, 72,66,500 in the month of March 2024 as alleged or at all. The Respondent had issued an invoice for work done (financing the project) which was immediately withdrawn as the Petitioner informed that invoices could be raised only after the completion of the project. The assertions made by Petitioner that there was any fraud . etc. is ex facie incorrect and false. Without prejudice to the foregoing, it is submitted that the Petitioner's own case alleging fabricated invoices proves that there is a pre-existing dispute between the Parties and even on that ground, this Petition is liable to be dismissed.”

24. Taking into consideration the cumulative facts and materials on record, we are satisfied that the Appellant has successfully proved that there was an operational debt and amount of Rs.8 crores, which was admittedly received by the CD was for advance towards supply of goods.

25. We may also refer to recent judgment of this Tribunal in ***Company Appeal (AT) (Ins.) No.1660 of 2025 in Amarendra Mohapatra (Suspended Director of ASB Energy Systems and Construction Pvt. Ltd.) vs. Daga Power Systems & Engineers Pvt. Ltd. & Anr.*** decided on 04.05.2026. The above was also a case where the CD and Operational Creditor has entered into Consortium Agreement to take contract and submit a bid for supply, erection, installation, testing and commissioning, engineering supply erection of 132KV D/C four conductors lines along with to similar work of Orissa Power Transmission Corporation Ltd. The CD has questioned that there was no operational debt, since both the parties have jointly executed the contract and under the Agreement both the parties have different responsibilities, which was questioned. In Paragraphs 15 and 16 of the judgment, following have been noticed:

“15. All materials brought in Section 9 application makes it clear that the Section 9 claim was only related to towards the outstanding payment against the supplies made by the operational creditor. We had already noticed the agreement between the parties dated 04.01.2019 and first Addendum under which the supply component was to be performed by the operational creditor and operational creditor was to receive payments towards supply component after the said amount is received from OPTCL by corporate debtor.

16. The submission which has been raised by the applicant challenging the order on the ground that there being JV Agreement between the parties, there was no operational debt for filing an application under Section 9 needs to be considered. Further, appellant has submitted that profit was to be distributed between at the ratio of 60 to 40 between operational creditor and corporate debtor. There can be no dispute between the parties, in the facts of the present case, that both the parties have formed a JV Agreement/consortium to take a work from OPTCL and work order was awarded, an Agreement was also entered between the parties. The parties themselves entered into separate Agreement dated 04.01.2019 with Addendum to the Agreement, where role and responsibilities of both the parties were clearly provided, supply component of the contract was to be performed by the operational

creditor and payments towards the operational creditor was to be made by corporate debtor after amount is received from OPTCL towards the same. The Section 9 application was not based on any component of profit sharing. Question of profit sharing is a question may arise, which after completion of work and what is the profit received by both the parties then was required to be shared. In the present case, application was only with respect to supply components which was exclusively made by the operational creditor as per Agreement dated 04.01.2019 between the parties read with the Addendum as noted above.”

26. This Tribunal in the above case came to the conclusion that there was an ‘operational debt’ as per the Contract entered between the parties.

In Paragraph 19, following was held:

“19. When we look into the facts of the present case, in the present case both the parties formed JV/Consortium to submit the bid to OPTCL as corporate debtor lead member of the consortium. Contract was awarded to both corporate debtor and operational creditor. Corporate debtor and operational creditor thereafter entered into separate Agreement dated 04.01.2019. As noted above with Addendum dated 11.02.2020. The Contract awarded by OPTCL consisted of three components, as noted above, one of the components was supply component under the Contract as agreed between the operational creditor and corporate debtor supply component was obligation of operational creditor and Clauses of Addendum dated 11.02.2020 clearly mentions that supply shall be made by operational creditor with respect to which the corporate debtor shall raise bill to the OPTCL and corporate debtor shall make payment to the operational creditor after receiving the payment from OPTCL. The facts of the present case thus are clearly distinguishable from the above judgement where obligations of both the parties were clearly differentiated and obligation and liabilities were clearly spelled out in the Agreement dated 04.01.2019 and the Addendum as noted above.”

27. Learned Counsel for the Respondent has relied on the judgment of the Hon’ble Supreme Court in **Global Credit Capital Ltd. and Anr. v.**

Sach Marketing Pvt. Ltd. and Anr., (2024) 9 SCC 482. The above judgment of the Hon'ble Supreme Court is even noticed by the Adjudicating Authority in Paragraph 16, which is as follows.

"16. We would rely on the judgment rendered by the Hon'ble Apex Court in **Global Credit Capital Limited v. Sach Marketing Pvt. Ltd. reported at 2024 sec OnLine SC 649: (2024) ibclaw. in 125 SC** that:

"20. Subject to what is held above, we summarize our legal conclusions:

a. There cannot be a debt within the meaning of sub-section (11) of section 5 of the IB Code unless there is a debt within the meaning of sub-section (6) of section 5 of thereof;

b. The test to determine whether a debt is a financial debt within the meaning of sub-section (8) of section 5 is the existence of a debt along with interest, if any, which is disbursed against the consideration for the time value of money. The cases covered by categories (a) to (i) of sub-section (8) must satisfy the said test laid down by the earlier part of sub-section (8) of section 5;

c. While deciding the issue of whether a debt is a financial debt or an operational debt arising out of a transaction covered by an agreement or arrangement in writing, it is necessary to ascertain what is the real nature of the transaction reflected in the writing; and

d. Where one party owes a debt to another and when the creditor is claiming under a written agreement/ arrangement providing for rendering 'service', the debt is an operational debt only if the claim subject matter of the debt has some connection or co-relation with the 'service' subject matter of the transaction."

The Hon'ble Supreme Court, in para 20 of Global Credit Capital Limited (supra), observed that the fate of a "debt", i.e., whether it is an operational debt or a financial debt arising out of a transaction, depends upon the real nature of the document. What is recorded in writing reflects whether the debt is operational or financial in character. From the aforesaid observations of the Hon 'ble Apex Court, it can be deduced that the real nature of a transaction can only be ascertained from the written document on which the parties have relied, be it an agreement, contract, or any other written understanding."

28. The Hon'ble Supreme Court in the above case has laid down that whether it is an operational debt or a financial debt arising out of a transaction, it is necessary to ascertain the real nature of a transaction. There can be no quarrel to the proposition laid down by the Hon'ble Supreme Court in the above case. The Adjudicating Authority failed to examine the real nature of transactions between the parties and committed error in holding that there was no 'operational debt'.

29. Learned Counsel for the Respondent has relied on various judgments of the Hon'ble Supreme Court including the judgment of the Hon'ble Supreme Court in **S.S. Engineers vs. Hindustan Petroleum Corporation Ltd. & Ors. (2022) SCC OnLine SC 1385** where the Hon'ble Supreme Court after referring to the earlier judgment of **Mobilox Innovations Pvt. Ltd. vs. Kirusa Software Pvt. Ltd.** and held that in event of existence of dispute, Section 9 application could not be admitted. To the same effect is another judgment of the Hon'ble Supreme Court relied by the Respondent in **Raj Ratan Babulal Agarwal vs. Solartex India Pvt. Ltd. (2023) 1 SCC 115** in which judgment, the Hon'ble Supreme Court again has reiterated that there being existence of dispute, Section 9 application could not be admitted. There can be no quarrel to the proposition laid down by the Hon'ble Supreme Court in this regard. The present is not a case of any existence of dispute. There is no material on record showing any existence of any dispute prior to issuance of Demand Notice. We, thus, are of the view that no benefit of the above judgments can be taken by the Respondent in the present case.

30. In result of the foregoing discussions, we are of the view that Adjudicating Authority committed error in rejecting Section 9 application. Operational debt being in existence, which is more than the threshold limit of Rs.1 crore, the Adjudicating Authority was to admit Section 9 application in the facts and circumstances of the case.

31. In view of the foregoing discussions and conclusions, we are of the view that order impugned is unsustainable and deserved to be set aside and Adjudicating Authority be requested to pass an order admitting Section 9 application. We, however, are of the view that the CD be given another opportunity to liquidate the debt within a time bound period and in event the CD liquidate the debt and file a proof of liquidation of debt before the Adjudicating Authority and Adjudicating Authority is satisfied that debt has been liquidated, Section 9 application may be closed accordingly.

32. In result, the Appeal is allowed in following manner:

- (1) The impugned order passed by Adjudicating Authority dated 24.09.2025 is set aside. It is held that the Appellant has successfully proved existence of 'operational debt', which debt is more than the threshold limit of Rs.1 crore.
- (2) CP(IB) No.329/ND/2024 is revived before the Adjudicating Authority for passing an order admitting Section 9 application within a period of three months from the date of receipt of copy of this order.

- (3) Within the aforesaid period of three months, it shall be open for the CD to liquidate the debt of the Operational Creditor and submit proof of liquidation of debt before the Adjudicating Authority and in event the Adjudicating Authority is satisfied that CD has liquidated the debt, in the aforesaid period, Section 9 application may be closed accordingly.

Parties shall bear their own costs.

**[Justice Ashok Bhushan]
Chairperson**

**[Barun Mitra]
Member (Technical)**

NEW DELHI

3rd July, 2026

Ashwani