



INSOLVENCY PROFESSIONAL AGENCY
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LATEST UPDATES ON INSOLVENCY AND BANKRUPTCY

"A great man is always willing to be little."

➤ NCLT Delhi Dismisses CIRP Plea Against WAPCOS Over Pre-existing Disputes

The Delhi bench of the National Company Law Tribunal has dismissed an insolvency plea against Mini-Ratna Government of India undertaking WAPCOS Limited.

The bench found that WAPCOS had raised concerns over the quality and completeness of survey work well before the payment demand was issued.

The bench of Judicial Member Manni Sankariah Shanmuga Sundaram and Technical Member Reena Sinha Puri observed, *"The material placed on record therefore shows that the Corporate Debtor had raised issues concerning the quality, completeness and contractual compliance of the work prior to issuance of the Demand Notice. These communications cannot be brushed aside as afterthoughts or moonshine defences raised only to evade payment."*

The Operational Creditor, Global Surveyors, engaged in surveyor services, was awarded multiple work orders by WAPCOS Limited, a Mini-Ratna Government of India undertaking.

The creditor raised bills dated 28 March 2022. Partial payments were made by the Corporate Debtor, including lump-sum amounts and GST remittances. The creditor issued a demand notice on 31 July 2025 and later filed the petition seeking initiation of Corporate Insolvency Resolution Process (CIRP).

The Corporate Debtor opposed the petition, contending that the creditor was attempting to use the insolvency framework as a recovery mechanism for disputed contractual claims. It argued that the work performed was defective, incomplete, and non-compliant with contractual terms, and that communications highlighting deficiencies were exchanged. It also raised objections on limitation, improper clubbing of distinct work orders, and invalid service of demand notice. The creditor denied the existence of any dispute, claimed proper service of demand notice, and argued that limitation was extended by acknowledgment of liability.

Source: Live Law Biz

Read Full Discussion Paper: <https://www.livelawbiz.com/ibc/nclt-delhi-dismisses-global-surveyors-cirp-plea-against-wapcos-over-pre-existing-disputes-549985>

➤ **Auction Purchaser Not Liable For Corporate Debtor's Pre-CIRP Dues: NCLT Allahabad**

The Allahabad bench of the National Company Law Tribunal (NCLT) has ruled that pre-CIRP dues of a company cannot be recovered from an auction purchaser merely because the purchaser acquired its leasehold property through liquidation on an “as is where is” basis.

The bench comprising Judicial Member Praveen Gupta and Technical Member Ashish Verma observed, *“In view of the above, the mere “as is where is” condition or the subsequent transfer of the leasehold interest cannot convert the pre-CIRP liability of the Corporate Debtor into an independent personal liability of the Applicant. The pre-CIRP dues of the Corporate Debtor were required to be dealt with through the liquidation process in accordance with Section 53 of the Code.”*

Source: Live Law Biz

Read Full Circular: <https://www.livelawbiz.com/ibc/auction-purchaser-not-liable-for-corporate-debtors-pre-cirp-dues-nclt-allahabad-549974>

➤ **NCLT Hyderabad Replaces Liquidator For Failing To Take Enforcement Steps Beyond Emails And Notices**

The National Company Law Tribunal (NCLT), Hyderabad Bench, has recently refused to grant a fourth extension to a Liquidator after finding that his efforts to enforce orders against the suspended directors had substantially remained confined to emails and notices.

The bench comprising Judicial Member Rajeev Bhardwaj and Technical Member Sanjay Puri observed, *“Issuance of correspondence, by itself, cannot be regarded as execution or enforcement of an order passed by this Adjudicating Authority.”*

Source: Live Law Biz

Read Full News: <https://www.livelawbiz.com/nclt/nclt-hyderabad-replaces-tirumala-hills-liquidator-for-failing-to-take-enforcement-steps-beyond-emails-and-notices-549972>



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