

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**JAIPUR BENCH**

**CORAM: MS. REETA KOHLI,**  
**HON'BLE JUDICIAL MEMBER**

**MS. KAVITA BHATNAGAR**  
**HON'BLE TECHNICAL MEMBER**

**CP No. (IB)-75/9/JPR/2025**

*(Under Section 9 of the Insolvency and Bankruptcy Code, 2016, Read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016)*

**IN THE MATTER OF:**

**CHOWDHRY RUBBER & CHEMICAL PRIVATE LIMITED**

**...Operational Creditor/ Petitioner**

**VERSUS**

**SOMI CONVEYOR BELTINGS LIMITED**

**...Corporate Debtor/ Respondent**

**MEMO OF PARTIES**

**Chowdhry Rubber & Chemical Pvt. Ltd.,**  
19/310/40, Old Rohtak Road, Shahzada Bagh,  
Daya Basti, Delhi -110035

**...Operational Creditor/ Petitioner**

**VERSUS**

**Somi Conveyor Beltings Ltd.,**  
4F-15 "Oliver House",  
New Power House Road,  
Jodhpur-342003, Rajasthan

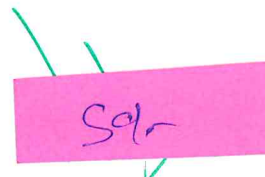
**...Corporate Debtor/ Respondent**

**For the Operational Creditor**

**:**

Jaya Goyal, Adv.  
Manpreet Kaur, Adv.  
Ashdeep Chadha, in person





**For the Corporate Debtor**

: Vishal J Dave, Adv.  
Pranjul Chopraa, Adv.  
Vimal Bhansali, in person

**Order Pronounced On: 17.06.2026**

**ORDER**

**Per: Ms. Kavita Bhatnagar Technical Member**

1. The instant Company Petition having CP No. (IB)-75/9/JPR/2025 has been filed by *Chowdhry Rubber & Chemical Private Limited* ('Petitioner'/ 'Operational Creditor') against *Somi Conveyor Beltings Limited* ('Respondent'/ 'Corporate Debtor') under Section 9 of the Insolvency and Bankruptcy Code, 2016 (the 'IBC'/ 'Code') seeking initiation of the Corporate Insolvency Resolution Process ('CIRP') against *Somi Conveyor Beltings Limited* ('Corporate Debtor'/ 'Respondent') alleging a default of Rs. 1,05,46,719/- (Rupees One Crore Five Lakhs Forty-Six Thousand Seven Hundred and Nineteen only) including interest @24% p.a. the total amount accrued till 30.06.2025.
2. The Respondent / Corporate Debtor is a private company limited by shares having CIN No. L25192RJ2000PLC016480, incorporated under the Companies Act, 2013 on 16.12.2020, duly registered with the Registrar of Companies, Jaipur. The Registered Office of the Company is situated at 4F-15, Oliver House, New Power House Road, Jodhpur-342003. The Authorized Share Capital of the Respondent Company is Rs.

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25,00,00,00,000/- and the Paid-Up Share Capital is Rs. 11,77,96,560/-. As the company is registered in Rajasthan, hence, it comes under the jurisdiction of NCLT, Jaipur Bench.

**Facts of the Case**

3. The Operational Creditor has submitted that it is engaged in the business of trading and import of rubber, chemicals and allied industrial materials, whereas the Corporate Debtor is engaged in the business of manufacturing rubber conveyor belts and related products. It has been pleaded that the parties were having longstanding commercial dealings and the Corporate Debtor used to place purchase orders from time to time for supply of chemicals and rubber material.
4. The Operational Creditor has stated that pursuant to various purchase orders issued by the Corporate Debtor during the period from 12.09.2024 to 06.03.2025, goods / materials were supplied under various invoices dated 21.01.2025, 18.02.2025, 20.02.2025, 06.03.2025, 07.03.2025, 08.03.2025 and 17.03.2025.
5. According to the Operational Creditor, despite receipt and acceptance of the goods, the Corporate Debtor failed to make payment of the outstanding amount. The Operational Creditor has claimed that a total amount of Rs.1,05,46,719/- (One Crore Five Lakh Forty-Six Thousand Seven Hundred Nineteen Only) was due and payable as on 30.06.2025, comprising principal

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outstanding of Rs.1,01,36,074/- along with interest calculated @24% per annum amounting to Rs.4,10,645/-.

6. It has further been pleaded that Demand Notice dated 30.06.2025 under Section 8 of the Code was issued to the Corporate Debtor through speed post and email. The Corporate Debtor sent a reply dated 09.07.2025 disputing the claim, to which a rejoinder dated 12.07.2025 was sent by the Operational Creditor reiterating its demand.
7. The Operational Creditor has contended that the dispute raised by the Corporate Debtor is sham, frivolous and mala fide inasmuch as the material supplied under Invoice No.308/24-25/8236 dated 07.03.2025 was admittedly "SBR 1502-DC dry scrap / off-grade material" sold on "as-is-where-is basis" and no quality specifications or COA / test certificate existed for such material. Reliance has also been placed upon WhatsApp communications exchanged between the parties and the alleged trade practice between them.
8. The Corporate Debtor has opposed the petition and submitted that the present proceedings are not maintainable in view of a genuine and pre-existing dispute regarding the quality and usability of the goods supplied under Invoice No.308/24-25/8236 dated 07.03.2025 amounting to Rs.51,79,012/-.

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9. The Corporate Debtor has submitted that the material supplied was sub-standard, technically unusable and not in conformity with the agreed specifications. It has been specifically pleaded that immediately upon technical evaluation, the Corporate Debtor intimated the Operational Creditor vide email dated 18.03.2025 that the material supplied was defective and unusable. It has also been contended that repeated reminder emails were sent requesting lifting of the rejected material.
10. The Corporate Debtor has further relied upon alleged WhatsApp communication dated 10.03.2025 as well as email dated 25.04.2025 allegedly sent by the Operational Creditor, wherein, according to the Corporate Debtor, the Operational Creditor itself acknowledged that the material was off-grade and suggested blending/reprocessing options and liquidation to another purchaser.
11. Another contention raised by the Corporate Debtor is that a Letter of Credit dated 21.02.2025 pertaining to the disputed invoice contained Clause 46A(5) requiring submission of test certificate regarding quality of goods, which was allegedly not supplied by the Operational Creditor.
12. The Corporate Debtor has also submitted that out of the total amount claimed, a sum of Rs. 49,52,861/- pertaining to six undisputed invoices was paid by NEFT on 07.07.2025 and the same was unilaterally refunded by the

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Operational Creditor on 08.07.2025 in order to artificially maintain the threshold under Section 4 of the Code.

**Analysis and Finding**

13. We have heard learned counsel for the parties and perused the material available on record. The primary issue which arises for consideration is whether there existed a genuine pre-existing dispute between the parties prior to issuance of the demand notice under Section 8 of the Code.
14. The law in this regard is no longer res integra in **Mobilox Innovations Private Limited vs. Kirusa Software Private Limited, (2018) 1 SCC 353**, the Hon'ble Supreme Court held that while examining an application under Section 9 of the Code, the Adjudicating Authority is only required to determine whether there exists a plausible contention requiring further investigation and that the dispute is not a patently feeble legal argument or unsupported assertion. The Adjudicating Authority is not expected to enter into an adjudication on merits of the dispute.
15. In the present case, the material on record reflects that the Corporate Debtor had raised objections regarding the quality and usability of the goods prior to issuance of the demand notice dated 30.06.2025. The emails relied upon by the Corporate Debtor commencing from 18.03.2025, followed by subsequent communications requesting lifting of the material, cannot be brushed aside at this stage as mere afterthoughts.

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16. Further, the Corporate Debtor has also placed reliance on WhatsApp communication allegedly exchanged prior to the demand notice and upon email dated 25.04.2025, wherein, according to the Corporate Debtor, the Operational Creditor itself referred to the material as off-grade material and suggested alternative usage or blending. Though the Operational Creditor disputes the interpretation sought to be placed upon such communications and contends that the material was admittedly dry scrap sold on “as-is-where-is basis”, such rival contentions themselves indicate existence of a commercial dispute regarding the nature and quality of the goods supplied.
17. We also find that the parties are disputing the very nature of the goods contracted for. Whereas the Operational Creditor contends that SBR 1502-DC was dry scrap / off-grade material for which no standard specifications or quality certification existed, the Corporate Debtor contends that the goods supplied did not conform to agreed technical requirements and were unusable for production purposes. Such disputed questions relating to quality, specifications, contractual obligations and technical suitability would require detailed adjudication on evidence, which is beyond the limited summary jurisdiction exercisable under Section 9 of the Code.
18. The contention of the Operational Creditor that the dispute is a moonshine defence because the Corporate Debtor retained the goods and raised objections belatedly may constitute a matter for adjudication in appropriate

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civil proceedings; however, at this stage, the material placed on record cannot lead this Tribunal to conclude that the defence raised is a mere patently feeble assertion unsupported by contemporaneous record.

19. We further find that the issue regarding payment of Rs. 49,52,861/- made by the Corporate Debtor on 07.07.2025 and its subsequent refund by the Operational Creditor also raises contentious questions regarding the quantum of undisputed operational debt surviving as on the date of filing of the petition. Though we are not adjudicating the said issue conclusively, the same further demonstrates existence of disputed questions requiring adjudication before an appropriate forum.
20. The judgments relied upon by the Corporate Debtor including *Mobilox Innovations Pvt. Ltd. vs. Kirusa Software Pvt. Ltd., Ria Constructions Ltd. vs. Blessings Resorts Pvt. Ltd., Laina Power Engineering vs. Sokeo Power Pvt. Ltd. and Suprabha Protective Products Pvt. Ltd. vs. Phoenix Trading & Consulting Pvt. Ltd.* support the settled proposition that where there exists a genuine pre-existing dispute raised prior to issuance of demand notice, the petition under Section 9 is liable to be rejected.
21. As regards the objection raised by the Corporate Debtor regarding non-filing of NeSL / Information Utility record, we are not inclined to reject the petition solely on that ground in view of the settled legal position that other documentary evidence can also be relied upon to establish debt and default.

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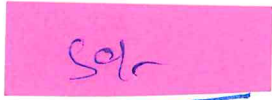
However, since we have already found existence of a pre-existing dispute, the said issue need not be examined further.

22. In view of the aforesaid discussion, this Tribunal is of the considered view that the dispute raised by the Corporate Debtor cannot, at this stage, be said to be a sham, illusory or moonshine defence. Rather, the material placed on record discloses existence of a genuine pre-existing dispute between the parties regarding the quality, specifications and usability of the goods supplied much prior to issuance of the demand notice under Section 8 of the Code.

**Conclusion**

23. Accordingly, the present CP (IB) No.75/9/JPR/2025 filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 is dismissed. However, it is made clear that dismissal of the present petition shall not preclude the parties from availing such other remedies as may be available to them in accordance with law before the appropriate forum. No order as to costs.

  
**REETA KOHLI**  
**JUDICIAL MEMBER**

  
**KAVITA BHATNAGAR**  
**TECHNICAL MEMBER**