NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH (COURT-II), CHANDIGARH

IA(I.B.C.)/1870 (CH)2025
IN
CP(IB) No.315/Chd/Hry/2019
(Admitted Matter)

[*An Application under Section 60 (5) of the Insolvency and Bankruptcy Code, 2016*]

IA(I.B.C.)/1870(CH)2025
Dy. Commissioner of Income Tax,
Hisar Circle, Hisar, Aayakar Bhawan,
Sector 14, Hisar- 125001 (Haryana)
Email ID: hissar.dcit@incometax.gov.in

...Applicant/ Resolution Professional

Versus

Darshan Singh Anand,
Resolution Professional of
M/s Vikas WSP Ltd., Siwani
Address: 310 New Delhi House, 3rd Floor,
27 Barakhamba Road, Connaught place,
New Delhi -110001
Email: cirp.vikaswsp@gmail.com,
dsanand57@gmail.com

...Respondent

IN THE MATTER OF:

CP(IB) No. 315/Chd/Hry/2019
(An application under Section 7 of the Insolvency and Bankruptcy Code, 2016)

Bank of India

...Financial Creditor

Versus

Vikas WSP Limited

...Corporate Debtor

Order delivered on: 10.07.2026

Coram: SHRI KAUSHALENDRA KUMAR SINGH, MEMBER (TECHNICAL)
SHRI KHETRABASI BISWAL, MEMBER (JUDICIAL)

Present:

For the Applicant : Mr. Varun Issar, Senior Standing Counsel

For the Respondent, RP : Mr. I.P.S. Oberoi, Advocate,
Mr. G.S. Sarin PCS

ORDER

The present Application bearing No. IA(I.B.C.)/1870(CH)2025 has been filed by **Dy. Commissioner of Income Tax, Hisar** (hereinafter referred to as "Applicant") under Section 60 (5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "**Code**") read with Rule 11 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for seeking directions against **Darshan Singh Anand,** Resolution Professional of M/s Vikas WSP Ltd (hereinafter referred to as "Respondent") to accept, admit, and consider the updated Income Tax claim of Rs. 268,73,44,328/- (Rupees Two Hundred Sixty-Eight Crore Seventy-Three Lakh Forty-Four Thousand Three Hundred Twenty-Eight Only) in the prescribed Form B under the Insolvency and Bankruptcy Code, 2016, in accordance with applicable law.

FACTS AND SUBMISSIONS OF THE APPLICANT

2. The averments made by the Applicant in its Application and as narrated by the learned counsel for the Applicant are summarized hereunder:

(i) The Corporate Insolvency Resolution Process ("CIRP") of the Corporate Debtor commenced vide order dated 02.02.2022 passed by this Tribunal. Pursuant thereto, the Income Tax Department lodged claims aggregating to ₹192.55 crores on 15.02.2022 and 22.03.2022, which were duly admitted by the Resolution Professional.

(ii) Subsequent to admission of the original claim, additional tax demands came to be crystallized pursuant to assessment/reassessment orders passed under the provisions of the Income Tax Act, 1961. Consequently, an updated claim of ₹268.73 crores was submitted on 16.09.2025, reflecting an increase of ₹76.17 crores arising from such assessment orders. The claim was based on statutory orders passed under Section 148A and other relevant provisions of the Income Tax Act, 1961. Such updation of claims is a standard consequence of modification of assessment orders or completion of fresh assessments.

(iii) Upon receipt of the updated claim, the Resolution Professional, vide communication dated 23.09.2025, rejected the same on the ground that claims founded upon assessment orders passed during the moratorium period could not be considered in the CIRP. In doing so, reliance was placed upon *Employees' Provident Fund Organisation Regional Office, Vashi, Navi Mumbai through Regional PF Commissioner-II (Legal) v. Jaykumar Pesumal Arlani, Resolution Professional of M/s Decent Laminates Pvt. Ltd.* decided on 03.01.2025, and *Pr. Commissioner of Income Tax v. Monnet Ispat and Energy Ltd.*, SLP (C) No. 6487 of 2018.

(iv) The rejection of the updated claim proceeds on an erroneous understanding of the scope and effect of the moratorium under Section

14 of the Insolvency and Bankruptcy Code, 2016 (“IBC”). A clear distinction exists between assessment proceedings, which determine and quantify statutory dues, and recovery proceedings, which seek enforcement and realization of such dues. While recovery proceedings are prohibited during the moratorium period, assessment and determination of the quantum of dues are not barred.

(v) Assessment proceedings under the Income Tax Act, including proceedings under Sections 143, 144, 148 and 148A, are quasi-judicial proceedings undertaken for determining tax liability. Such proceedings involve determination of factual issues, application of tax law to the facts, and quantification of tax liability based on evidence. They do not constitute recovery or enforcement actions and merely crystallize existing statutory liabilities. Consequently, they do not fall within the restrictive ambit of proceedings prohibited under Section 14 of the IBC.

(vi) Reliance is placed upon the judgment of the Hon’ble Supreme Court in *Sundaresh Bhatt, Liquidator of ABG Shipyard Ltd. v. Central Board of Indirect Taxes and Customs*, wherein it was held:

> *“The authorities can only take steps to determine the tax, interest, fines or any penalty which is due. However, the authority cannot enforce a claim for recovery or levy of interest on the tax due during the period of moratorium.”*

The Hon’ble Supreme Court further held:

> *“Once moratorium is imposed in terms of Sections 14 or 33(5) of the IBC, the Respondent authority only has a limited jurisdiction to*

assess/determine the quantum of customs duty and other levies. The Respondent authority does not have the power to initiate recovery of dues by means of sale/confiscation."

(vii) The aforesaid judgment clearly recognizes the distinction between assessment and recovery proceedings. The Income Tax Department, like the Customs Authorities, retains jurisdiction to assess and determine tax liability during the moratorium period but is restrained from initiating recovery proceedings. In the present case, no recovery action was initiated. No attempt was made to seize assets, enforce security interests, or recover dues. The Department merely sought admission of an updated claim based on assessment orders already passed, which is legally permissible.

(viii) The assessment orders forming the basis of the updated claim pertain to pre-CIRP assessment years. The reassessment and quantification undertaken during the moratorium period merely crystallized pre-existing statutory liabilities and did not create any fresh liability after commencement of CIRP.

(ix) The assessments relate to:

(a) Assessment Year 2013-14 – Demand of ₹11,75,52,978/-;

(b) Assessment Year 2018-19 – Demand of ₹75,77,69,490/-, less ₹13,82,79,349/- already claimed, resulting in an additional liability of ₹61,94,90,141/-; and

(c) Assessment Year 2020-21 – Demand of ₹2,47,50,790/-.

(x) All the aforesaid liabilities relate to periods preceding commencement of CIRP. The reassessment proceedings under

Sections 148 and 148A merely quantified pre-existing liabilities and did not create any new liability during the moratorium period.

(xi) The reliance placed upon *Pr. Commissioner of Income Tax v. Monnet Ispat and Energy Ltd.* by RP is misconceived. The principle laid down therein is that, in the event of a conflict, the provisions of the IBC prevail over other enactments by virtue of Section 238 of the Code. However, the said principle cannot be stretched to imply that statutory liabilities validly determined in accordance with law are liable to be disregarded or excluded from consideration in the insolvency process.

(xii) The reliance placed upon by RP on *Employees' Provident Fund Organisation Regional Office, Vashi v. Jaykumar Pesumal Arlani* is equally misplaced. The said decision concerned proceedings initiated and completed during the moratorium period where no prior determination existed before commencement of CIRP. The present case stands on a materially different footing, as the assessment and reassessment proceedings relate to pre-CIRP assessment years and merely quantify liabilities already existing under the statute.

(xiii) The updated claim was submitted in the prescribed Form B along with supporting documents, computation sheets and assessment orders. There was complete compliance with the requirements prescribed under the IBC and the CIRP Regulations.

(xiv) Under Sections 18 and 25 of the IBC, the role of the Interim Resolution Professional/Resolution Professional is confined to collection, collation and verification of claims. The functions discharged in relation to claims are administrative in nature and do not extend to adjudication of disputed questions of law concerning the validity or enforceability of statutory claims.

(xv) Reliance is placed upon the judgments of the Hon'ble Supreme Court in *Swiss Ribbons Pvt. Ltd. v. Union of India* and *Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta*, as well as various decisions of the Hon'ble NCLAT and NCLT, wherein it has been consistently held that the Resolution Professional performs administrative functions and is not vested with adjudicatory powers.

(xvi) By rejecting the updated claim on legal grounds and refusing to consider liabilities duly determined by the competent statutory authority, the Resolution Professional has exceeded the scope of his jurisdiction and travelled beyond the limited administrative role assigned under the IBC.

(xvii) In these circumstances, the rejection of the updated claim is arbitrary, contrary to the provisions of the IBC and settled judicial precedents, and is therefore liable to be set aside. Accordingly, directions are sought for admission and consideration of the updated claim of ₹268.73 crores in the insolvency resolution process of the Corporate Debtor.

SUBMISSIONS BY THE RESPONDENT

3. The Application has been opposed by the Respondent by filing a Reply dated 03.03.2026. The defense as taken in the reply and as narrated by the learned counsel for the Respondent are briefly summarised as under:-

(i) The enhanced claim of ₹268.73 crores filed on 16.09.2025 seeks to increase the originally admitted claim of ₹192.55 crores by ₹76.17 crores and has been filed after an extraordinary delay of 1308 days from the insolvency commencement date and long after expiry of the statutory period prescribed for submission of claims under the Insolvency and Bankruptcy Code, 2016 ("IBC") and the CIRP Regulations.

(ii) The Corporate Insolvency Resolution Process commenced on 02.02.2022 and the public announcement was issued on 04.02.2022. In terms of the public announcement, the last date for submission of claims was 16.02.2022. The Income Tax Department had submitted its claim, which was subsequently revised to ₹192.55 crores on 21.03.2022, and the said claim was admitted in full in the category of Operational Creditors (Government Dues).

(iii) The Committee of Creditors approved the Resolution Plan on 25.08.2022 and an application under Section 30 of the Code seeking approval of the Resolution Plan was filed on 29.10.2022, which remains pending consideration before this Adjudicating Authority. The updated claim was filed only on 16.09.2025, i.e., nearly three years after approval of the Resolution Plan by the Committee of Creditors.

(iv) It is now well settled through a catena of judgments of the Hon'ble Supreme Court and Hon'ble NCLAT that claims during CIRP period are to be filed within the window available in terms of proviso to Regulation 12 of the CIRP Regulations and no fresh claim or enhanced claim can be entertained after approval of the Resolution Plan by the Committee of Creditors, even if the Resolution Plan is pending approval before the Adjudicating Authority. Acceptance of such claims would defeat the time-bound framework envisaged under the IBC and would reopen the entire resolution process.

(v) Reliance is placed upon the judgment dated 30.07.2021 passed by the Hon'ble NCLAT in *Mukul Kumar v. RPS Infrastructure Pvt. Ltd.*, Company Appeal (AT) (Ins.) No. 1050 of 2020, wherein it was held that once the Resolution Plan has been approved by the Committee of Creditors and is pending approval before the Adjudicating Authority, entertaining fresh claims at such stage would jeopardize the CIRP and defeat the objective of the IBC of ensuring resolution in a time-bound manner. The Hon'ble NCLAT observed as under:

> *"34. With the aforesaid, we are of the view that when the Resolution Plan has already been approved by the CoC and it is pending before the Adjudicating Authority for approval, at this stage, if new claims are entertained the CIRP would be jeopardized and the Resolution Process may become more difficult. Keeping in view the object of the IBC which is resolution of Corporate Debtor in time bound manner to maximize the value, if such request of claimant is accepted the purpose of IBC would be defeated. The Hon'ble Supreme Court in the case of CoC of* ***Essar Steel India Ltd. v. Satish Kumar Gupta****, wherein it was held:*
>
> > *88. For the same reason the impugned NCLAT judgment in holding that claims that may exist apart from those decided on merits by the resolution professional and by the Adjudicating Authority/Appellate Tribunal can now be decided by an appropriate forum in terms of Section 60(6)of the Code/also*

> *militates against the rationale of Section 31 of the Code. A successful resolution applicant cannot suddenly be faced with "undecided claims after the resolution plan submitted by him has been accepted as this would amount to a hydra head popping up which would throw into uncertainty amounts payable by a prospective resolution applicant who successfully take over the business of the corporate debtor. All claims must be submitted to and decided by the Resolution Professional so that a prospective resolution applicant knows exactly what has to be paid in order that it may then take over and run the business of the corporate debtor. This the successful resolution applicant does on a fresh slate, as has been pointed out by us hereinabove. For these reasons, the NCLAT Judgment must also be set aside on this count."*

(vi) Further reliance is placed upon the judgment of the Hon'ble Supreme Court in *RPS Infrastructure Ltd. v. Mukul Kumar & Anr.*, Civil Appeal No. 5590 of 2021, wherein the Hon'ble Supreme Court affirmed the aforesaid principle and held as under:

> *"21. **The mere fact that the Adjudicating Authority has yet not approved the plan does not imply that the plan can go back and forth, thereby making the CIRP an endless process**. This would result in the reopening of the whole issue, particularly as there may be other similar persons who may jump onto the bandwagon. As described above, in Essar Steel, the Court cautioned against allowing claims after the resolution plan has been accepted by the CoC.*
> *22. We have thus come to the conclusion that the NCLAT's impugned judgment cannot be faulted to reopen the chapter at the behest of the appellant. **We find it difficult to unleash the***

> ***hydra-headed monster of undecided claims on the resolution applicant.***"

(vii) The rejection of the enhanced claim is therefore fully supported by binding judicial precedents, which consistently hold that claims filed beyond the prescribed timeline and after approval of the Resolution Plan by the Committee of Creditors cannot be admitted.

(viii) The reliance placed by the Income Tax Department upon the judgment of the Hon'ble Supreme Court in *Sundaresh Bhatt, Liquidator of ABG Shipyard Ltd. v. Central Board of Indirect Taxes and Customs* is misconceived. While the said judgment recognizes the jurisdiction of statutory authorities to determine and assess dues during the moratorium period, the Hon'ble Supreme Court simultaneously held that after such determination, the concerned authority is required to submit its claim strictly in accordance with the procedure and timelines prescribed under the IBC. The applicant has selectively relied upon paragraph 54(i) of the judgment while overlooking paragraph 54(ii), wherein the Hon'ble Supreme Court expressly held:

> *"After such assessment, the respondent authority has to submit its claims (concerning customs dues/ operational debt) in terms of the procedure laid down in strict compliance of the time periods prescribed under IBC, before the adjudicating authority."*

(ix) Even assuming that the assessments relate to pre-CIRP periods, any enhanced liability determined pursuant to assessment proceedings conducted during the moratorium period cannot be admitted once the statutory timelines have expired and the Resolution Plan has already been approved by the Committee of Creditors.

(x) The original claim of ₹192.55 crores was duly admitted in full. The present dispute concerns only the subsequent enhancement of ₹76.17 crores, which was neither in existence on the insolvency commencement date nor submitted within the timelines prescribed under the Code.

(xi) The non obstante clause contained in Section 238 of the IBC ensures that the provisions of the Code prevail over any inconsistent procedure under other enactments. Accordingly, any contention permitting admission of claims beyond the statutory framework of the IBC would be contrary to the scheme and objectives of the Code.

(xii) The Resolution Professional acted strictly in accordance with the provisions of the Code and binding judicial precedents while rejecting the enhanced claim. The decision was neither arbitrary nor without application of mind but was based upon the settled legal position governing belated and revised claims.

(xiii) Acceptance of the enhanced claim at this stage would unsettle the commercial decisions already taken by the Committee of Creditors, prejudice the successful resolution applicant, and undermine the finality attached to the resolution process under the IBC.

(xiv) In these circumstances, the enhanced claim dated 16.09.2025 is liable to be rejected as being hopelessly delayed, contrary to the statutory framework governing CIRP, and impermissible in view of the binding decisions of the Hon'ble Supreme Court and Hon'ble NCLAT. Consequently, the application seeking admission of the enhanced claim deserves dismissal.

ANALYSIS AND FINDINGS

4. We have considered the submissions made by the Learned Counsels of Applicant as well as the Respondent and have gone through the material available on record carefully, along with the extant provisions of the Code and the settled position of law on the subject issue.

5. The issue that arises for consideration is whether the revised claim of ₹268.73 crores filed by the Income Tax Department on 16.09.2025, seeking enhancement of its admitted claim by ₹76.17 crores on the basis of assessment/reassessment orders passed during the moratorium period, can be directed to be admitted at a stage when the Resolution Plan already stands approved by the Committee of Creditors and is pending approval under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("IBC").

6. There is no dispute that the Corporate Insolvency Resolution Process commenced on 02.02.2022 and that the Income Tax Department had duly lodged its claims aggregating to ₹192.55 crores, which were admitted in full by the Resolution Professional. There is also no dispute that the Committee of Creditors approved the Resolution Plan on 25.08.2022 and that the revised claim came to be filed only on 16.09.2025, nearly three years after approval of the Resolution Plan by the Committee of Creditors.

7. The principal contention of the Income Tax Department/Applicant is that the additional liability arose pursuant to assessment/reassessment

proceedings undertaken under the Income Tax Act, 1961 and that such proceedings merely crystallized pre-existing liabilities relating to pre-CIRP assessment years. Reliance has been placed upon the judgment of the Hon'ble Supreme Court in *Sundaresh Bhatt, Liquidator of ABG Shipyard Ltd. v. Central Board of Indirect Taxes and Customs* to contend that assessment proceedings are not barred by the moratorium and that statutory authorities retain jurisdiction to determine the quantum of dues during the CIRP period.

8. However, the issue in the present proceedings is not the validity of the assessment orders or the authority of the Income Tax Department to undertake assessment proceedings during the moratorium period. The issue is whether an enhanced claim can be admitted after approval of the Resolution Plan by the Committee of Creditors.

9. Significantly, the Hon'ble Supreme Court in ABG Shipyard itself clarified that after assessment, the concerned statutory authority is required to submit its claim in accordance with the procedure prescribed under the IBC and in strict compliance with the timelines contemplated therein. Thus, while the power of assessment survives the moratorium, admission of the resulting claim remains subject to the framework and timelines prescribed under the Code.

10. The Insolvency and Bankruptcy Code is founded upon the principle of certainty and finality in the resolution process. The Hon'ble Supreme Court in Committee of Creditors of ***Essar Steel India Ltd. v. Satish Kumar Gupta*** has categorically held that all claims must be submitted to and decided by the Resolution Professional so that a prospective resolution

applicant knows with certainty the liabilities that it is assuming under the Resolution Plan. The Court cautioned against permitting undecided claims to emerge after approval of the Resolution Plan, describing such claims as a "hydra-headed monster" that would create uncertainty for the successful resolution applicant.

11. The aforesaid principle has been reiterated by the Hon'ble NCLAT in *Mukul Kumar v. RPS Infrastructure Pvt. Ltd.* and subsequently affirmed by the Hon'ble Supreme Court in ***RPS Infrastructure Ltd. v. Mukul Kumar & Anr.***, wherein it has been held that once the Resolution Plan has been approved by the Committee of Creditors, the claims process cannot be reopened merely because the Resolution Plan is awaiting approval by the Adjudicating Authority. The Hon'ble Supreme Court specifically observed that permitting such claims would render the CIRP an endless process and would defeat the time-bound mechanism envisaged under the IBC.

12. In the present case, the revised claim was filed approximately 1308 days after commencement of CIRP and nearly three years after approval of the Resolution Plan by the Committee of Creditors. Acceptance of such enhanced claim at this stage would necessarily require revisiting the financial matrix underlying the Resolution Plan and would have the effect of unsettling the commercial wisdom already exercised by the Committee of Creditors. Such a course would be directly contrary to the principles laid down by the Hon'ble Supreme Court in *Essar Steel* and *RPS Infrastructure*.

13. While it is true that the Resolution Professional performs primarily administrative functions in relation to collation and verification of claims, the Resolution Professional is equally bound to act in conformity with the provisions of the Code and the law declared by the Hon'ble Supreme Court. A claim which is ex-facie barred by the settled principles governing CIRP timelines and finality of the resolution process cannot be admitted merely because it arises from a statutory assessment.

CONCLUSION

14. For the aforesaid reasons, this Tribunal is of the considered view that while statutory authorities may possess jurisdiction to assess and determine tax liabilities during the moratorium period, the admission of any claim arising therefrom remains subject to the timelines, procedural framework and principles of finality embodied in the IBC. The revised claim having been filed after an inordinate delay of approximately 1308 days from the insolvency commencement date and nearly three years after approval of the Resolution Plan by the Committee of Creditors, permitting such claim at this stage would be contrary to the settled law laid down by the Hon'ble Supreme Court and Hon'ble NCLAT. Further, admission of the enhanced claim would alter the financial matrix on the basis of which the Resolution Plan was considered and approved by the Committee of Creditors, thereby unsettling the commercial wisdom already exercised by the Committee of Creditors. Consequently, this Tribunal finds no infirmity in the decision of the Resolution Professional rejecting the revised claim of the Applicant.

15. Accordingly, IA(I.B.C.)/1870(CH)2025 in CP(IB)No. 315/Chd/Hry/2019 is **dismissed** and **disposed of**.

Sd/-	**Sd/-**
Khetrabasi Biswal	**Kaushalendra Kumar Singh**
Member (Judicial)	**Member (Technical)**
Inderjeet	