NATIONAL COMPANY LAW TRIBUNAL

CHANDIGARH BENCH (COURT-I), CHANDIGARH

IA(IBC) No. 97/2026
In
CP (IB) No. 237/Chd/Chd/2021

(Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016, read with Rule 11 of the National Company Law Tribunal Rules, 2016.)

In the matter of IA No. 97/2026

Dy. Commissioner of Income Tax,
Circle-1, Chandigarh,
Aayakar Bhawan, Sector 17, Chandigarh- 160017
Email ID: chandigarh.dcit1@incometax.gov.in

Applicant

Versus

Mr. Mukesh Gupta,
Resolution Professional,
M/s. Gupta Builders and Promoters Private Limited,
Address: F-1, Milap Nagar, Uttam Nagar,
New Delhi-110059
Email: camukeship@rediffmail.com,
cirp.gbp@gmail.com

Respondent

And

In the matter of CP (IB) 237/CHD/CHD/2021

M/S AREA IMPORTERS AND EXPORTERS PRIVATE LIMITED

Financial Creditor

VERSUS

M/S GUPTA BUILDERS AND PROMOTERS PRIVATE LIMITED

Corporate Debtor

Order pronounced on: 10.07.2026

CORAM: MR. KHETRABASI BISWAL, HON'BLE MEMBER (JUDICIAL)

MR. SHISHIR AGARWAL, HON'BLE MEMBER (TECHNICAL)

PRESENT:

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

Ms. Nikita Garg, Jr. Standing Counsel

For the RP : Mr. Karan Kohli, Advocate

Ms. Ridhima Mehrotra, Advocate

ORDER

1. The present Application has been filed by the Dy. Commissioner of Income Tax, Circle-1, Chandigarh (hereinafter referred to as the "Applicant") under sub-section (5) of Section 60 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the "Code" or "IBC"), read with Rule 11 of the National Company Law Tribunal Rules, 2016 (hereinafter referred to as the "NCLT Rules, 2016"), seeking the following reliefs:

(a) to condone the delay of 1305 days in filing the claim before the Resolution Professional;

(b) to set aside the decision dated 07.11.2025 passed by the Resolution Professional rejecting the Income Tax Department's claim of Rs. 975,56,03,961/- (Rupees Nine hundred seventy-five crore, fifty-six lakh, three thousand, nine hundred sixty-one rupees) filed on 15.10.2025;

(c) to direct the Resolution Professional to accept, admit and consider the Income Tax claim of Rs. 975,56,03,961/- (Rupees Nine hundred seventy-five crore, fifty-six lakh, three thousand, nine hundred sixty-one rupees) in the prescribed Form B in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016; and

(d) to pass such other order(s) as this Adjudicating Authority may deem fit and proper in the facts and circumstances of the present case.

2. The averments made by the Applicant in the Application and the submissions advanced by the learned counsel appearing on behalf of the Applicant are summarised hereunder:

(i) The Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was initiated vide Order dated 31.05.2022 passed in CP (IB) No.237/Chd/Chd/2021, whereby Mr. Mukesh Gupta was appointed as the Interim Resolution Professional (IRP). Thereafter, vide Order dated 25.07.2022, he was confirmed as the Resolution Professional (RP) of the Corporate Debtor.

(ii) It has been submitted that the Applicant is the Dy. Commissioner of Income Tax, Circle-1, Chandigarh and is an Operational Creditor of the Corporate Debtor on account of outstanding Income Tax dues amounting to Rs. 975,56,03,961/- (Rupees Nine hundred seventy-five crore, fifty-six lakh, three thousand, nine hundred sixty-one rupees).

(iii) It is the case of the Applicant that the Resolution Professional never intimated the Income Tax Department regarding the initiation of CIRP against the Corporate Debtor nor called upon the Department to submit its claim or furnish particulars of the outstanding statutory dues, despite being under an obligation to do so under the provisions of the Code and the applicable CIRP Regulations. Consequently, no communication regarding the commencement of CIRP was received by the Income Tax Department.

(iv) The Applicant has further submitted that the Income Tax Department became aware of the CIRP only in October, 2025, upon a manual online search conducted by the Assessing Officer in respect of the Corporate Debtor. Immediately thereafter, on 15.10.2025, the Applicant submitted its claim in Form B before the Resolution Professional for an amount of Rs. 975,56,03,961/- (Rupees Nine hundred seventy-five crore, fifty-six lakh, three thousand, nine hundred sixty-one rupees) towards outstanding Income Tax dues.

(v) It is stated that the Resolution Professional, vide communication/order dated 07.11.2025, rejected the claim on the ground that the timelines prescribed for submission of claims had expired on 14.06.2022 and that the Resolution Plan had already been approved by the Committee of Creditors on 25.04.2023. Aggrieved by the rejection of its claim, the Applicant has preferred the present Application seeking condonation of delay and appropriate directions for admission of its claim.

(vi) The Applicant has further submitted that during the pendency of the matter, a Show Cause Notice dated 22.10.2025 under Section 179(1) of the Income Tax Act, 1961 was issued in relation to the outstanding tax liabilities of the Corporate Debtor. In response thereto, the Resolution Professional, vide representation dated 07.11.2025, contended that the proceedings were barred by the moratorium imposed under Section 14 of the Code and relied upon various judicial precedents in support of such contention.

(vii) The Applicant has contended that the Resolution Professional failed to discharge his statutory obligations under the Code by not notifying the Income Tax Department regarding the commencement of CIRP, despite the statutory dues being reflected in the books of accounts and financial statements of the Corporate Debtor. According to the Applicant, such omission deprived the Department of the opportunity to lodge its claim within the prescribed timeline.

(viii) In support of its contentions, the Applicant has relied upon, inter alia, *State Tax Officer v. Rainbow Papers Limited, Sundaresh Bhatt, Liquidator of ABG Shipyard Limited v. Central Board of Indirect Taxes and Customs, Deputy Commissioner of Income Tax, Punjab v. Ravinder Kumar Goel, Liquidator of M/s Supreme Tex Mart Ltd., Swiss Ribbons Pvt. Ltd. & Anr. v. Union of India & Ors., Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta & Ors., Mr. S. Rajendaran, Resolution Professional of PRC International Hotels Private Limited v. Jonathan Mouralidarane, and Dr. Ramakant Suryanath Pande v. CS Prakash K. Pandya & Ors.,* to contend that the Resolution Professional was under a statutory obligation to collate and verify all claims, including statutory dues, and that rejection of the Applicant's claim solely on the ground of delay is arbitrary and contrary to the scheme of the Code.

REPLY OF THE RP:

3**.** The Resolution Professional has opposed the present Application by filing a maintainability note contending that the claim preferred by the

Applicant is liable to be rejected as being grossly belated. It has been submitted that the Corporate Insolvency Resolution Process commenced on 31.05.2022 and the Public Announcement inviting claims was issued on 02.06.2022. The Resolution Plan was approved by the Committee of Creditors on 25.04.2023 with 93.48% voting share and the application seeking approval of the Resolution Plan was thereafter filed before this Adjudicating Authority on 07.09.2023. It is submitted that the Applicant lodged its claim only on 15.10.2025, i.e., more than two years after approval of the Resolution Plan by the Committee of Creditors. The Resolution Professional has further contended that the amendments to Regulations 12 and 13 of the CIRP Regulations notified on 18.09.2023 are prospective in nature and cannot revive claims in CIRPs where the Resolution Plan had already been approved by the Committee of Creditors prior to the said amendments. It has also been contended that entertaining the Applicant's claim at this stage would unsettle the commercial wisdom exercised by the Committee of Creditors, defeat the time-bound resolution process envisaged under the Code and is contrary to the law laid down by the Hon'ble Supreme Court in *RPS Infrastructure Ltd. v. Mukul Kumar* and other judgments relied upon in the maintainability note.

4. We have heard the learned counsel appearing for the Applicant as well as the learned counsel appearing for the Resolution Professional and have carefully perused the material available on record.

5. The principal grievance of the Applicant is that its claim for Income Tax dues amounting to Rs. 975,56,03,961/- was rejected by the Resolution Professional solely on the ground that the claim was filed beyond the prescribed timelines under the CIRP Regulations. It has been contended that the delay occurred because the Income Tax Department was never informed about the initiation of CIRP and became aware of the proceedings only in October 2025. The Resolution Professional, on the other hand, has opposed the Application on the ground that the claim was filed after an inordinate delay of 1305 days, long after the approval of the Resolution Plan by the Committee of Creditors, and therefore could not be entertained at such an advanced stage of the CIRP.

6. It is an admitted position that the CIRP of the Corporate Debtor commenced on 31.05.2022 and a public announcement was issued pursuant thereto inviting claims from the creditors of the Corporate Debtor. The last date for submission of claims expired on 14.06.2022. It is also not disputed that the Resolution Plan of the Corporate Debtor came to be approved by the Committee of Creditors on 25.04.2023. The Applicant filed its claim before the Resolution Professional only on 15.10.2025, claiming Income Tax dues of Rs. 975,56,03,961/-, which was rejected by the Resolution Professional vide communication dated 07.11.2025. Thus, the claim was admittedly filed more than three years after commencement of CIRP and more than two years after approval of the Resolution Plan by the Committee of Creditors.

7. Regulation 12 of the Insolvency Resolution Process for Corporate Persons Regulations, 2016 requires a creditor to submit its claim with proof on or before the last date mentioned in the public announcement. Though the Regulations permit filing of claims beyond the initial period subject to the conditions prescribed therein, the scheme of the Code does not contemplate admission of claims at an indefinite stage of the CIRP. The timelines prescribed under the Code and the Regulations are intended to facilitate a time-bound insolvency resolution process and to ensure certainty in the preparation and consideration of a Resolution Plan.

8. The primary contention of the Applicant is that the Income Tax Department was never individually informed by the Resolution Professional regarding the initiation of CIRP and therefore could not file its claim within time. We are unable to accept the said contention as a sufficient ground for condonation of the extraordinary delay in the facts of the present case. The CIRP was initiated on 31.05.2022 and the public announcement was made in accordance with the provisions of the Code. The Applicant claims to have become aware of the CIRP only in October 2025 through a manual search. However, the Applicant has not placed on record any material to establish that due diligence was exercised by the applicant during these three years and still it gained no knowledge of the CIRP proceedings.

9. The Applicant has sought to contend that the Resolution Professional ought to have identified the statutory dues from the books of accounts

and financial statements of the Corporate Debtor and should have invited the Income Tax Department to submit its claim. Even assuming that there was any omission on the part of the Resolution Professional in this regard, such omission by itself cannot justify reopening the CIRP process after approval of the Resolution Plan by the Committee of Creditors. Acceptance of claims at such a belated stage would necessarily affect the financial matrix on the basis of which the Committee of Creditors exercised its commercial wisdom and approved the Resolution Plan.

10. The Applicant has placed reliance upon the judgment of the Hon'ble Supreme Court in ***State Tax Officer v. Rainbow Papers Limited*** to contend that statutory dues of Government authorities cannot be ignored and that delay in filing the claim should not result in denial of substantive rights. The said judgment was rendered in the context of the status of statutory authorities as secured creditors and the treatment of statutory charges under the applicable law. The issue before us is materially different. The question in the present case is whether a claim filed after an extraordinary delay of 1305 days and after approval of the Resolution Plan by the Committee of Creditors can be directed to be admitted. The judgment in ***Rainbow Papers*** does not dilute the timelines prescribed under the Code nor does it mandate admission of claims filed after the CIRP has substantially progressed.

11. Reliance has also been placed on the judgment of the Hon'ble Supreme Court in Sundaresh Bhatt, Liquidator of ABG Shipyard Limited v. Central

Board of Indirect Taxes and Customs and on the decision of the Hon'ble NCLAT in Deputy Commissioner of Income Tax, Punjab v. Ravinder Kumar Goel, Liquidator of M/s Supreme Tex Mart Ltd. to contend that assessment proceedings are distinct from recovery proceedings and that statutory authorities retain jurisdiction to determine tax liabilities during the period of moratorium. There can be no dispute regarding the legal proposition laid down in the aforesaid judgments. However, the issue in the present Application does not concern the validity of assessment proceedings or the power of the Income Tax Department to determine tax liabilities. The issue before this Adjudicating Authority is confined to the admissibility of a claim filed after a substantial delay and after approval of the Resolution Plan. Consequently, the aforesaid judgments do not advance the case of the Applicant.

12. The Applicant has further argued that the Resolution Professional possesses only administrative powers with respect to verification and collation of claims and could not have rejected the claim. In this regard, reliance has been placed upon ***Swiss Ribbons Pvt. Ltd. v. Union of India, Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta,*** and other judicial pronouncements. While it is settled position that the role of the Resolution Professional is primarily administrative and not adjudicatory in nature, it certainly cannot be stretched to claim that the RP has to mechanically accept and collate each and every claim received. The Resolution Professional is required to examine claims in accordance with the provisions of the Code and the

applicable Regulations. In the present case, the Resolution Professional declined to entertain a claim filed after approval of the Resolution Plan by the Committee of Creditors and after expiry of all prescribed timelines. Such action cannot be said to be contrary to the scheme of the Code.

13. It is pertinent to note that the Insolvency and Bankruptcy Code, 2016 has been enacted with the objective of ensuring a time-bound insolvency resolution process and maximisation of value of the assets of the Corporate Debtor. The Hon'ble Supreme Court has repeatedly emphasised the importance of certainty and finality in insolvency proceedings. Entertaining claims after approval of the Resolution Plan by the Committee of Creditors would result in reopening settled positions and would have the effect of unsettling the commercial decisions already taken by the stakeholders of the Corporate Debtor.

14. In the present case, the Applicant seeks condonation of a delay of 1305 days in filing its claim. The delay is very substantial and the reasons advanced for seeking condonation do not appear justifiable. Further the claim has been filed after the Resolution Plan had already been approved by the Committee of Creditors on 25.04.2023. There is no provision in the code for admission of claims at such a late stage. Admission of such a claim at this stage would materially impact the resolution process and would be contrary to the settled principles governing CIRP. We are, therefore, of the considered view that no sufficient cause has been made

out for condonation of the delay or for issuance of directions to the Resolution Professional to admit the claim of the Applicant.

15. In view of the foregoing discussion, we hold that the Resolution Professional was justified in rejecting the claim filed by the Applicant and no ground is made out for interference with the decision of the RP dated 07.11.2025.

16. Accordingly, the present Interlocutory Application bearing ***IA(IBC) No.97/2026*** stands **dismissed and disposed of.**

Sd/-

(SHISHIR AGARWAL)
MEMBER (TECHNICAL)

Sd/-

(KHETRABASI BISWAL)
MEMBER (JUDICIAL)
Ruhani