Sare Gurugram Private Limited v. Income Tax Officer, Ward International Tax 3(1)(1), Delhi & Ors.

W.P.(C) 10771/2024

W.P.(C) 10771/2024 (Delhi High Court, decided 30 April 2025) | 2025-04-30

Sare Gurugram: pre-resolution-plan section 201 proceedings for two assessment years set aside.

Income-tax Act, 1961: sections 201

High Court of Delhi | 2-judge bench (Division Bench) | Justice Vibhu Bakhru | Justice Tejas Karia

Assessment years: 2014-15, 2015-16

Scope of this order

Assessee: the identified section 201 proceedings were set aside on the recorded resolution-plan basis.

01 FACTS OF THE CASE

Sare Gurugram challenged section 201 proceedings for AYs 2014–15 and 2015–16 relating to a period before approval of its CIRP resolution plan on 24 April 2023. Its annexure recorded a Rs.5,64,51,068 demand for AY 2015–16 and pending appeal-effect action following a favourable CIT(A) order.

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02 DISCUSSION BY THE HON'BLE COURT

The taxpayer invoked the clean-slate principle for pre-approval liabilities not contemplated in the approved plan. The Court recorded that the controversy was undisputedly covered in its favour by Ghanashyam Mishra & Sons v. Edelweiss Asset Reconstruction, 2021 INSC 250.

Source: PDF p. 2

03 JUDICIAL DECISION

The petition was allowed and all section 201 proceedings for AYs 2014–15 and 2015–16 were set aside. The pending application was disposed of.

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04 OUTCOME / IN WHOSE FAVOUR

Assessee: the identified section 201 proceedings were set aside on the recorded resolution-plan basis.

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05 EXPERT COMMENTS

Check both timing and the approved plan — The reasoning concerns liabilities for the period before plan approval that are not contemplated in the plan. It should not be presented as extinguishing every tax liability merely because CIRP has occurred.

Keep the operative scope precise — The relief identifies two assessment years and section 201. It does not decide unrelated tax periods, all statutory defaults or post-approval liabilities.

The annexure is not proof of subsequent payment — The annexure records a demand and pending appeal-effect action. This judgment does not certify that a refund or implementation subsequently occurred.

Source: PDF p. 2

SOURCE & VERIFICATION

High Court of Delhi official judgment PDF — AKHB Repository (20250430_DLHC010472612024.pdf)

2-page official High Court of Delhi order/judgment PDF (20250430_DLHC010472612024.pdf, 38,349 bytes).

Complete source text and every original page visually reviewed; identity and SHA-256 checked. AI-assisted source analysis.

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All 2 physical source pages read and visually inspected. SHA-256: f441627983c0366fdf0bc5652383f525d31cb218becaefad47e895d71edbfad4.

STATUTORY SCOPE

Section 201 proceedings and the effect of an approved CIRP resolution plan are the express issues. The order follows Ghanashyam Mishra, 2021 INSC 250; it does not separately set out an IBC section analysis.

LATER TREATMENT

Source checked 2026-10-21. Subsequent judicial treatment has not been independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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