

Vaibhav Goel & Anr. v. Deputy Commissioner of Income Tax & Anr.

Civil Appeal No. 49 of 2022

2025 INSC 375; [2025] 3 S.C.R. 841 | 2025-03-20

Whether income-tax demands for pre-resolution assessment years, not included in the approved resolution plan or claimed before the resolution professional, could subsequently be enforced.

Two-judge bench | Abhay S. Oka, J. | Ujjal Bhuyan, J.

Assessment years: 2012-13, 2013-14

01 FACTS OF THE CASE

The joint resolution applicants' plan for Tehri Iron and Steel Casting Ltd. was approved by NCLT on 21 May 2019. The plan included a contingent income-tax liability for AY 2014-15. The Department subsequently raised separate demands for AYs 2012-13 and 2013-14, without having submitted claims for those years before the resolution professional. The monitoring professional challenged them. NCLT dismissed the application as frivolous with Rs 1 lakh costs; NCLAT affirmed.

Source: [reported supreme court judgment / paragraphs 1-6 / PDF pages 3, 4, 5, 6](#)

02 DISCUSSION BY THE HON'BLE COURT

Applying section 31(1) of the IBC and Ghanashyam Mishra, the Court held that approval binds the tax department and extinguishes pre-approval dues not forming part of the plan. The approval order's reservation of certain statutory reliefs concerned the contingent liabilities actually described in the plan; it did not save these two omitted assessment-year demands. The Court also rejected NCLAT's refusal to apply binding precedent merely because it had not been cited before NCLT. Unreasoned dismissal and imposition of costs were unwarranted, and belated demands would undermine the successful applicants' ability to operate the company on the settled financial basis.

Source: [reported supreme court judgment / paragraphs 6-12 / PDF pages 6, 7, 8, 9](#)

03 JUDICIAL DECISION

The demands for AYs 2012-13 and 2013-14 were invalid and unenforceable. The Supreme Court set aside the NCLT and NCLAT orders and allowed the appeal.

Source: [reported supreme court judgment / paragraphs 11-14 / PDF pages 8, 9](#)

04 OUTCOME / IN WHOSE FAVOUR

In whose favour: Resolution applicants/corporate debtor; against Revenue

Appeal allowed; impugned Tribunal orders set aside; two additional tax demands held unenforceable

Tax-recovery effect of approved IBC plan decided

The ruling concerns identified pre-resolution dues omitted from the approved plan. It does not extinguish every tax liability arising after resolution or decide the separate AY2014-15 contingent liability.

Source: [reported supreme court judgment / paragraphs 14 / PDF pages 9](#)

05 AKHB REVIEW POINT

For tax due diligence on a resolved company, reconcile each assessment year and demand with the submitted claims, the approved plan, its contingent-liability schedule and the approval order. A general reservation about statutory concessions should not be read apart from the liabilities to which it relates. Keep omitted pre-resolution claims distinct from liabilities expressly provided for and genuinely post-resolution tax obligations.

Source: [reported supreme court judgment / paragraphs 5-8,11-14 / PDF pages 5, 6, 7, 8, 9](#)

OTHER GOVERNING STATUTES

1.

Act: Insolvency and Bankruptcy Code, 2016

Sections: 31(1); 61; 62

Role: Section 31(1) controls the treatment of the income-tax demands

SOURCE & VERIFICATION

[Hon'ble Supreme Court source PDF \(reported supreme court judgment\)](#)

Identified source rendition: 9 PDF pages; SHA-256

beca0a80453fc13cbe5313e25b671061f45b982ee2ecdd37c3904fae5dbe3437. Original bytes preserved.

[Open cited source rendition](#)

Reported PDF pp. 1-2 are editorial headnotes; judicial text is pp. 3-9, paragraphs 1-14. No adjacent judgment is included.

The source states different amounts for the AY 2014-15 contingent liability in paragraphs 2 and 5; that non-dispositive amount is not reproduced.

The principal ratio is IBC section 31(1), applied directly to Income-tax Act demands. Section 154 is factual background.

Original API URL is additional; evidence pinpoints use the reported PDF. The reported hash and page numbers must not be applied to the differently paginated official original.

AY 2014-15 appears as a different contingent liability included in the plan, not one of the two additional demands invalidated here.

STATUTORY SCOPE

Historical legal regime as considered in the source judgment; no comprehensive later-law/circular or 2025 Act equivalence check.

LATER TREATMENT

Source checked 2026-10-04. Subsequent appeals, review proceedings, stays, reversals and later judicial treatment have not been comprehensively checked. This note is not a citator status certificate.

IDENTIFIED SOURCE LINKS

[reported supreme court judgment - PDF pages: 9](#)

SHA-256: beca0a80453fc13cbe5313e25b671061f45b982ee2ecdd37c3904fae5dbe3437

[official original link](#)

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.

PROFESSIONAL DISCLAIMER

General research information only; not legal or tax advice, a certified judgment or a substitute for the full order. Applicability depends on facts, assessment year, statutory version and jurisdiction. Subsequent treatment is unverified unless identified sources are expressly stated. Downloading does not create a professional engagement. Obtain case-specific advice before reliance.