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* **IN THEHIGHCOURTOF DELHIATNEW DELHI**

\+ W.P.(C) 10771/2024 & CM APPL. 44343/2024

SARE GURUGRAM PRIVATE LIMITED .....Petitioner

Through: Mr Ashish Mehta, Ms Aanchal Jain and Mr Bharat Jain, Advocates.

versus

INCOME TAX OFFICER WARD INT TAX 3 1 1 DELHI & ORS. .....Respondents

Through: Mr. Debesh Panda, SSC Ms. Zehra Khan, Mr. Vikramaditya Singh, JSCs Ms Anauntta Shankar and Ms Ravicha Sharma, Advocates for the Revenue. Mr Piyush Beriwal, Mr Kautilya Birat, Mr Nikhil Kumar Chaubey and Ms Jyotsna Vyas, Advocates for UOI.

CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU
HON'BLE MR. JUSTICE TEJAS KARIA

ORDER

% **30.04.2025**

1. The petitioner has filed the present petition, *inter alia,* impugning the proceedings, as referred in Annexure P1 to the present petition. The said Annexure is set out below:-

"Impugned Proceedings carried out by Respondent(s) against the Petitioner

The following proceedings by Respondent(s) were initiated / continued post Moratorium Date (ie 09 March 2021) and concluded before or after the approval of the Resolution Plan (ie 24 April 2023).

AY	Section & Initiation Date	Demand (in INR/-)	Authority before which the proceedings are pending	Last notice date	Response Date
2014-15	201; 08.02.2021	-	Respondent 1	08.02.2021	-
2015-16	201; 15.03.2022	5,64,51,068 (demand raised vide order dated 30 March 2022)	Pending before Respondent 2 to give appeal effect pursuant to favorable CIT(A) order dated 29.01.2024. The Petitioner has filed multiple applications before Respondent 2, however, no action has been taken yet.		

2. The petitioner is essentially assailing the initiation of the proceedings under Section 201 of the Income Tax Act, 1961 [**the Act**] in respect of the Assessment Year [**AY**] 2014-15 and AY 2015-16.

3. Concededly, the proceedings relate to a period prior to 24.04.2023 being the date of the approval order in respect of a resolution plan prepared under the Corporate Insolvency Resolution Process [**CIRP**]. It is the petitioner's case that in view of the clean slate theory, the petitioner cannot be vexed by any proceedings or demand, which relates to the period prior to the order approving the resolution plan, if the said dues or liabilities are not contemplated under the said plan.

4. Undisputedly, the controversy involved in the present case is covered in favour of the Assessee by the decision of the Supreme Court in ***Ghanashyam Mishra & Sons Private Limited through the Authorized Signatory v. Edelweiss Asset Reconstruction Company Limited through the Director & Others: Neutral Citation: 2021 INSC 250.***

5. In view of the above, the present petition is allowed and all proceedings initiated in respect of AY 2014-15 and AY 2015-16 under Section 201 of the Act are set aside.

6. The petition is disposed of in the abovesaid terms. The pending application is also disposed of.

VIBHU BAKHRU, J

TEJAS KARIA, J

APRIL 30, 2025

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Click here to check corrigendum, if any