

**HC: No demand order shall be issued to the assessee subsequent to the approval of the Resolution Plan by the Hon'ble NCLT.**

**CA Prakash Chandra Jain**

P.O. Brajrajnagar  
Odisha- 768216  
Cell: 94375-41690 / 70087-12242  
Email: prakashchjain@yahoo.co.in



**REFER THE DECISION OF THE HON'BLE ALLHABAD HIGH COURT IN THE CASE OF**

**Arena Superstructures (P.) Ltd. vs. UOI; Dated 22<sup>nd</sup> April, 2025**

**FACTS:**

The petitioner went into a Corporate Insolvency Resolution Process. As per the procedure, the creditors were asked to submit their claims before the Resolution Professional. The specific notice was also sent to the G.S.T. department by the Resolution Professional to the petitioner. On 19th July, 2022, the Resolution Plan was approved by the NCLT. The impugned order for the Assessment Year 2017-18 was passed on 4th February, 2025, i.e. after the Resolution Plan was approved by NCLT.

**Hon'ble High Court Judgement:**

Relying inter alia upon the decisions in the cases of (i) N.S. Papers Ltd. vs. Union of India [*Writ Tax No. 408 of 2021 dated 11-12-2024*] and (ii) Vaibhav Goyal vs. Deputy Commissioner of Income Tax [*Civil Appeal No. 49 of 2022, dated 20-3-2025*] [*2025 172 taxman.com 601 (SC)*], Hon. High Court held that as per the law laid down by Hon'ble Supreme Court, the principle is crystal clear that once the Resolution Plan has been approved by the NCLT, all other creditors are barred from raising their claims subsequently, as the same would disrupt the entire resolution process. **The Court therefore quashed the assessment orders and demand notices passed under section 74 of the CGST/UPGST Act, 2017.**