

**THE INCOME TAX APPELLATE TRIBUNAL
Hyderabad ' B ' Bench, Hyderabad**

Before

Before Shri Rama Kanta Panda, Accountant Member

AND

Shri Laliet Kumar, Judicial Member

Sl. No	ITA No	Assess-ment Year	Appellant / Assessee	Respondent
1 to 5	1225 to 1229/Hyd/ 2017	2009-10 to 2013-14	M/s. Vishwa Infrastructures and Services Private Limited, Hyderabad. PAN : ACBCV9814F	DCIT, Central Circle – 1(2), Hyderabad.
6 to 9	1236 to 1239/Hyd/ 2017	2010-11 to 2013-14	DCIT, Central Circle – 1(2), Hyderabad.	M/s. Vishwa Infrastructures and Services Private Limited, Hyderabad. PAN : ACBCV9814F

Appellant by : Shri P. Chiranjeevulu.
Respondent by : Shri Vijay Bhaskar Reddy,
CIT-DR

Date of Hearing : 19.09.2022

Date of Pronouncement : 19.09.2022

ORDER

PER LALIET KUMAR, J.M. :

Aggrieved by the order(s) passed by the learned Commissioner of Income Tax(Appeals)-11, Hyderabad (“Ld. CIT(A)”), in the case of Vishwa Infrastructure and Services Pvt. Limited (“the assessee”) for the above mentioned assessment years, both the assessee and Revenue preferred these appeals.

2. At the outset, it is represented by both the sides that the Corporate Insolvency Resolution Proceedings (CIRP) are pending against the assessee and as of now, Hon'ble National Company Law Appellate Tribunal (NCLAT) is seized with the jurisdiction.

3. We have considered the issue in the light of the provisions of Insolvency and Bankruptcy Code, 2016 (“the Code”) and the decision of the Hon'ble Apex Court in the case of Ghanashyam Mishra And Sons vs Edelweiss Asset Reconstruction (2021) 126 taxmann.com 132 (SC). Under section 13 of the Code, the adjudicating authority after admission of the application under section 7 or 9 or 10 of the Code shall declare a moratorium which shall include the prohibition of the institution of suits or continuation of pending suits or proceedings against the corporate debtor in any court of law or tribunal. In Ghanashyam Mishra And Sons (supra), it was held that, **(i)** That once a

resolution plan is duly approved by the Adjudicating Authority under sub section (1) of Section 31, the claims as provided in the resolution plan shall stand frozen and will be binding on the Corporate Debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority, guarantors and other stakeholders. On the date of approval of resolution plan by the Adjudicating Authority, all such claims, which are not a part of resolution plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim, which is not part of the resolution plan; **(ii)** 2019 amendment to Section 31 of the I&B Code is clarificatory and declaratory in nature and therefore will be effective from the date on which I&B Code has come into effect; and **(iii)** Consequently all the dues including the statutory dues owed to the Central Government, any State Government or any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the Adjudicating Authority grants its approval under Section 31 could be continued.

4. A reading of the provisions under section 13 and 14 of the Code along with the decision in Ghanashyam Mishra And Sons (supra), clearly shows that once the proceedings have commenced by institution of application under section 7 or 9 or 10 of the Code, the continuance of the pending proceedings is prohibited and when once they reach the logical conclusion with due approval of the resolution plan by the Adjudicating Authority under sub section (1) of Section 31, the claims as provided in the resolution plan shall stand frozen and will be binding on the Corporate Debtor and its employees, members, creditors,

including the Central Government, any State Government or any local authority, guarantors and other stakeholders.

5. At any rate, for the time being, these appeals cannot be proceeded with during the continuance of the proceedings under the Code. However, depending upon the result of such proceedings before the adjudicating authority in respect of the corporate debtor, appropriate steps if any, may be taken by the appellants/ respondents. We, therefore, granting leave to the appellants/ respondents in these appeals to seek the restoration of the appeals, if necessitated by the orders in the Corporate Insolvency Resolution Proceedings, dismiss the appeals in limine. We derive support for the above proposition from the decision of the Mumbai Bench of the Tribunal in the case of Mahavir Roads & Infrastructure Pvt. Ltd., Vs. DCIT in ITA Nos. 646 to 651/Mum/2019 (AYs.2008-09 to 2013-14), dt.08/06/2022.

6. In the result, all the captioned appeals are dismissed in limine.

Order pronounced in the open court on this the 19th day of September, 2022

Sd/- (RAMA KANTA PANDA) ACCOUNTANT MEMBER	Sd/- (LALIET KUMAR) JUDICIAL MEMBER
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Hyderabad, dated 19th September, 2022.
TYNM/SPS

Copy to:

S.No	Addresses
1	M/s. Vishwa Infrastructures and Services Private Limited, Hyderabad. C/o. Vijay Kumar Remalla, Advocate, O/o. Vijay and Associates R.No.2 and 3, First Floor, Srinath Commercial Complex, SD Road, Secunderabad – 500003.
2	Deputy Commissioner of Income Tax, Central Circle – 1(2), Hyderabad.
3	CIT (Appeals) – 11, Hyderabad.
4	PCIT (Central), Hyderabad.
5	DR, ITAT Hyderabad Benches
6	Guard File

By Order