

**IN THE INCOME TAX APPELLATE TRIBUNAL,
MUMBAI BENCH "G", MUMBAI**

**BEFORE SHRI NARENDER KUMAR CHOUDHRY, JUDICIAL MEMBER
AND
MS. PADMAVATHY S, ACCOUNTANT MEMBER**

**ITA No.3159/M/2024
Assessment Year: 2019-20**

Dy. Commissioner of Income Tax, Central Circle-8(2), Room No.658, 6 th Floor, Aayakar Bhavan, Mumbai Maharashtra - 400020	Vs.	M/s. Srivallabh Pittie South West Industries Limited (now known as Platinum Textiles Limited), 97, Maker Tower-F, Cuffe Parade, Mumbai - 400 005 PAN: AABCN1537H
(Appellant)		(Respondent)

**ITA No.2685/M/2024
Assessment Year: 2019-20**

M/s. Srivallabh Pittie South West Industries Limited (formerly, Platinum Textiles Ltd.), 97/99, 9 th Floor, Maker Tower F, Cuffe Parade, Mumbai Maharashtra - 400 005 PAN: AABCN1537H	Vs.	Dy. Commissioner of Income Tax, Central Circle-8(2), Room No.658, 6 th Floor, Aayakar Bhavan, Mumbai Maharashtra - 400020
(Appellant)		(Respondent)

Present for:

Assessee by : Ms. Priyanka Borar, Ld. C.A.

Revenue by : Shri Swapnil Sawant, Ld. Sr. A.R

Date of Hearing : 21.11.2024

Date of Pronouncement : 27.11.2024

ORDER

Per : Narender Kumar Choudhry, Judicial Member:

These cross appeals by the Revenue Department and the Assessee have been preferred against the order dated 28.03.2024, impugned herein, passed by the Ld. Commissioner of Income Tax (Appeals) (in short Ld. Commissioner) under section 250 of the Income Tax Act, 1961 (in short 'the Act') for the A.Y. 2019-20.

2. In these cases, the Ld. Counsel the Assessee, by filing a petition dated 18.11.2024 has submitted that petition under section 7 of the Insolvency & Bankruptcy Code, 2016 (in short "IBC") filed against the Assessee Company, has been admitted by the National Company Law Tribunal, Mumbai (in short "NCLT") vide order dated 10.10.2023. Copy of the same is enclosed herewith as annexure-1, therefore, in view of the same, both the appeals under consideration are liable to be dismissed and therefore same may be dismissed accordingly.

3. The Ld. D.R. did not refute the aforesaid factual claim of the Ld. AR.

4. We have heard the parties and perused the material available on record. Admittedly, NCLT vide order dated 10.10.2023 passed u/s 7 of the IBC has made following directions:

"a. The above Company Petition No. (IB) 380(MB)/2023 is hereby admitted and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against Shrivallabh Pittie South west Industries Limited, the Corporate Debtor.

b. This Bench hereby appoints Mr. Avil Jerome Menezes, Registration No: IBBI/IPA-001/IP- P00017/2016-17/10041 as the Interim Resolution Professional having address at 106, 1st Floor, Kanakia Atrium 2, Cross Road A, Behind Courtyard Marriott, Chakala, Andheri East, Mumbai City, Maharashtra 400093 email :- avil@caavil.com, to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.

C. The Financial Creditor shall deposit an amount of Rs. 5 Lakhs towards the initial CIRP cost by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order.

d. That this Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority; transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; any action to foreclose, recover enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

e. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.

f. That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

g. That the order of moratorium shall have effect from the date of pronouncement of this order till the completion of the Corporate Insolvency Resolution Process or until this Bench approves the resolution plan under sub- section (1) of section 31 or passes an order for liquidation of Corporate Debtor under section 33, as the case may be.

h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.

i. During the CIRP period, the management of the Corporate Debtor will vest in the IRP/RP. The suspended directors and employees of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.

j. Registry shall send a copy of this order to the concerned Registrar of Companies for updating the Master Data of the Corporate Debtor.

Accordingly, this Petition is admitted.

The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.”

5. We have considered the aforesaid aspects and order passed by the NCLT wherein vide direction No. (d), the NCLT has prohibited the institution of the suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, Tribunal, arbitration panel or other authority etc. Hence, in view of the order by the NCLT, the appeals under consideration are disposed of being dismissed, however, with liberty to the parties to get restore back these appeals or to file fresh appeals concerning the same issues as involved in the instant appeals, in case of reversal of the order passed by the NCLT and/or in the eventuality of vacating such order by any Court including NCLT.

6. In the result, both the appeals filed by the Revenue Department and the Assessee stand dismissed in the aforesaid terms with liberty as granted.

Order pronounced in the open court on 27.11.2024.

**Sd/-
(MS. PADMAVATHY S)
ACCOUNTANT MEMBER**

**Sd/-
(NARENDER KUMAR CHOUDHRY)
JUDICIAL MEMBER**

* Kishore, Sr. P.S.

Copy to: The Appellant
The Respondent
The CIT, Concerned, Mumbai
The DR Concerned Bench

//True Copy//

By Order

Dy/Asstt. Registrar, ITAT, Mumbai.