



**IN THE NATIONAL COMPANY LAW TRIBUNAL**

**KOCHI BENCH**

**IA(IBC)/300/KOB/2025**

**IN**

**CP (IBC)/30/KOB/2021**

*(Under Section 60(5)(C) of Insolvency and  
Bankruptcy Code, 2016 and Rule 11 of the NCLT  
Rules,2016)*

***Date of institution:25.07.2025***

***Order delivered on:08.10.2025***

***In the matter of:***

***ITMA Hotels India Private Limited***

**MEMO OF PARTIES:**

**ITMA Hotels India Private Limited,**

Represented by Mr. Tiju Varghese  
Chacko, Managing Director,

Door No 63/2982, Surabhi Enclave, Opp.  
Metro Piller No. 775, SA Road,  
Kadavanthra, Kochi - 682016

**...Applicant**

**-Vs-**

**Municipal Secretary**

Kochi Municipal Corporation, Park Ave  
Road, Marine Drive, Kochi, Ernakulam,  
Kerala- 682011

**...Respondent**

***Coram:***

**HON'BLE MEMBER (JUDICIAL) : SHRI. VINAY GOEL**

**HON'BLE MEMBER(TECHNICAL) : SMT. MADHU SINHA**



***Appearances:***

For the Applicant : Mr. Sankar P Panicker, Adv;  
For the Respondent : Mr. Vipin D G, Adv.

**ORDER**

**Per Coram:**

1. The present Application has been filed by ITMA Hotels India Private Limited, the Corporate Debtor, which has undergone CIRP, under Section 60(5) of the Insolvency and Bankruptcy Code, 2016, and Rules 11 of the NCLT Rules, 2016, seeking the following reliefs:

1. *Direct the Respondent Authority to take appropriate steps to allow the Applicant to remit their tax dues owed by CD for the period after the approval of the Resolution Plan, i.e., 29.03.2023, in the KSMART website/portal and make appropriate mutations in the Respondent's records to reflect the change in ownership of the CD for the assets shown in Table 1 of this Application.*
2. *To direct the Respondent to take appropriate steps to change the name of the Managing Director of ITMA Hotels India Pvt Ltd. as Mr Tiju Varghese Chacko in their records in compliance with approved Resolution Plan and also as per ROC and MCA records.*
3. *Any other order which this Hon. Tribunal may deem fit and proper in the circumstances of the case.*

The Brief facts of the case are as follows: -

2. The Applicant stated that the Corporate Debtor has undergone CIRP and had a resolution plan approved by this Tribunal vide order dated 29.03.2023 in IA(IBC)/399/ROB/2022 in



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CP(IB)/30/KOB/2021, on the Resolution Plan submitted by the consortium of Mr. Tiiu Varghese Chacko and M/s. Royal Heights Projects Private Limited, and following the approval, the MCA records have been updated reflecting the Applicant as the Managing Director of the CD.

3. The Applicant stated that the CD is situated in a building named Jomer Symphony, consisting of 29 floors. The extent of ownership of the Corporate Debtor in Jomer Symphony is as follows:

Sl.No	Floor(s)	Description	Remarks
1.	Basement+Ground+1+2	ITMA Hotels India Pvt.Ltd	Obligated to remit the building tax with effect from 29/03/2023 as per the approved resolution plan.
2.	3-11	Commercial Space	Not Obligated to pay
3.	12-13	Common area for all the owner	The 2500 sq. ft. on the 12th floor belongs to ITMA, and the
4	13	Restaurant, Kitchen and service floors Service area	5000 sq. ft. on the 13th floor belongs to ITMA.
4.	14-19	Various Flat / service apartment owners	22,000 sqft. Belonging to ITMA
5	20-28	ITMA Hotels India Pvt.Ltd	Obligated to remit the building tax with effect from 29/03/2023 as per the approved resolution plan.

4. The Applicant stated that the Respondents have not carried out the necessary mutations in their records to reflect the change in ownership of the properties belonging to the Corporate Debtor. In compliance with the terms of the Resolution Plan approved on



29.03.2023, the Applicant has made significant efforts to update the ownership status of the CD in the records of various authorities, including the Registrar of Companies. Further, the Applicant approached the Respondents, requesting them to undertake the required mutations and permit the remittance of property tax from the date of approval of the Resolution Plan. In this regard, the Applicant issued a letter dated 21.03.2024, stating its willingness to discharge any dues owed by the CD from 29.03.2023 onwards, in line with the approval granted by this Tribunal.

5. The Applicant stated that despite sending request letters to update the name of Mr. Tiju Varghese Chacko as Managing Director of ITMA Hotels India Private Limited and seeking permission to pay property tax from 29.03.2023, the Respondent has not responded. This inaction prevents the Applicant from paying dues as per the approved resolution plan. The Applicant, who acquired the Corporate Debtor (CD) through a transparent and lawful process, was surprised by this lack of cooperation. Multiple attempts were made to pay the property tax through the KSMART website, as instructed by the Respondent, but the system does not allow selection of the specific period for which the Applicant is liable to pay, making it impossible to exclude earlier financial years for which the Applicant has no legal obligation to pay.
6. The Applicant stated that as per the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) and settled case law, including



the judgment in *Ghanshyam Mishra and Sons Private Limited v. Edelweiss Asset Reconstruction Company Limited* [(2021) ibclaw.in 54 SC], the Successful Resolution Applicant (SRA) takes over the Corporate Debtor (CD) on a clean slate basis and cannot be held liable for any dues not claimed or admitted during the Corporate Insolvency Resolution Process (CIRP). It is emphasized that, upon approval of the Resolution Plan under Section 31(1) of the IBC, all claims not included in the plan stand extinguished and no further proceedings can be initiated or continued in respect of such excluded claims. This includes any statutory dues owed to the Central or State Government or local authorities. The 2019 amendment to Section 31 has been held to be declaratory in nature and applies retrospectively. In the present case, the Respondents failed to submit or claim any such dues during the CIRP, as reflected in the Information Memorandum. Therefore, any such claims now sought to be enforced are extinguished.

7. The Applicant stated that it has taken all reasonable and necessary steps to inform the Respondent about the nature of the CIRP proceedings and the applicable provisions of the IBC, through multiple letters dated 21.03.2024, 07.06.2024, and 19.03.2025 of communication. The Applicant further stated that it is willing to settle all dues owed by the Corporate Debtor from the date of approval of the Resolution Plan, i.e., 29.03.2023. However, the continued inaction on the part of the Respondent is causing undue prejudice to the Corporate Debtor, as it is unable to fulfill



its statutory obligations, including payment of taxes, and comply with the terms of the approved Resolution Plan.

8. The Applicant stated that it had earlier filed an Interlocutory Application, IA(IBC)/325/KOB/2024 in CP(IBC)/30/KOB/2021, on 25.07.2024, seeking directions to the Respondent to effect the change of ownership of the assets from the name of the existing owner to that of the Applicant. However, upon receiving certain instructions and clarifications, the Applicant sought permission from this Tribunal to withdraw the said application with liberty to file a fresh application. This Tribunal was pleased to grant such permission. Accordingly, the present application is being filed.
9. The Applicant stated that by letter dated 24.03.2025, it informed the Respondent Authority of the oral direction issued by this Tribunal in IA(IBC)/325/KOB/2024, whereby this Tribunal had directed the Respondent's Counsel to apprise the concerned authorities of the provisions of the Insolvency and Bankruptcy Code, 2016, including the extinguishment of liabilities post approval of the Resolution Plan. Subsequently, on 17.06.2025, the Applicant sent another letter to the Respondent Authority, updating them on the situation. However, the Respondent has consistently failed to discharge its responsibilities and has ignored the Applicant's repeated requests. Despite these efforts, the Respondent Authority has shown no initiative in resolving the issues. The Applicant also stated that it had, through the above representations, requested vacancy remission for the premises of the Corporate Debtor, which have remained unoccupied since



2014. Although the premises clearly qualify for remission under Section 239 of the Kerala Municipality Act, 1994, the Respondent has failed to act on the Applicant's request to date.

10. The Applicant further stated that vide letter dated 08.07.2025, the Respondent Authority rejected the request for mutation of ownership citing the existence of statutory dues against the Corporate Debtor (CD) and relying on Para 10 of the order approving resolution plan order, which references an undertaking given by the Resolution Applicant in light of *Civil Appeal No. 1661 of 2020 (Rainbow Papers Case)* to settle 100% of statutory dues. However, the Respondent is misrepresenting the said order, as in *State Tax Officer v. Rainbow Papers Ltd., (2022) ibclaw.in 107 SC*, the tax authority had submitted its claim prior to approval of the resolution plan, unlike in the present case, where the Respondent failed to submit any claim during the CIRP. The cited order refers specifically to "statutory claims/dues" admitted during the CIRP, which is not applicable here. The Applicant has, on multiple occasions, clearly communicated its willingness to pay statutory dues arising after the approval of the Resolution Plan dated 29.03.2023, but the Respondent has failed to act accordingly. Further, the Applicant relies on the order dated 08.10.2024 in IA(IBC)/240/KOB/2024 in IA(IBC)/217/KOB/2022 in IBA/37/KOB/2020, wherein this Tribunal directed the concerned authority to carry out the change of ownership and issue an ownership certificate within four weeks, also clarifying that building tax shall be collected only after the mutation, in line with



the clean slate principle under the IBC. Though passed in the context of liquidation, the legal principle enunciated therein squarely applies to the present case.

11. The Respondent filed their reply on 10.09.2025 and stated that the designation mentioned in the present Interlocutory Application as "Municipal Secretary" is incorrect, as no such post exists in the Kochi Municipal Corporation. It is further stated that the present Interlocutory Application has been filed by suppressing material facts and is, therefore, liable to be dismissed at the threshold. The Petitioner had earlier filed I.A. (IBC)/300/KOB/2024 in C.P. (IB)/30/KOB/2021 seeking similar relief, which was later withdrawn. Although permission was granted by this Tribunal to file a fresh application, such permission does not entitle the Petitioner to seek the same relief again. Accordingly, the relief sought in the present Interlocutory Application is barred by the principle of res judicata.
12. The Respondent stated that the Petitioner has failed to provide specific details of the disputed buildings for which the change of registry is sought in the present Interlocutory Application. The prayers made in the application are vague, and no clear or enforceable direction can be issued by this Tribunal based on such vague pleadings. The disputed properties are not identifiable from the material placed on record, and the Petitioner has not incorporated sufficient pleadings to justify the relief claimed. Therefore, the Interlocutory Application is liable to be dismissed in limine as it amounts to an abuse of the process of law.



13. The Respondent stated that the Kochi Municipal Corporation had issued a demand notice to ITMA Hotels India Private Limited for arrears of property tax for the period from 01.04.2013 to 31.03.2020, based on the assessment of commercial buildings bearing Door Nos. 48/1744C2, 48/1744C3, and 48/1744C4. The total amount demanded was Rs. 1,44,77,400/-, and the notice was addressed to Mrs. Merin Jose of ITMA Hotels India Private Limited. As the said company failed to clear the arrears despite notice, Revenue Recovery proceedings were initiated to recover the outstanding amount as on 11.03.2020. It is further stated that an amount of Rs. 3,10,10,354/- is due from ITMA Hotels India Private Limited towards property tax arrears up to the second half of the financial year 2024-25. The Kochi Municipal Corporation, being a statutory authority under the Kerala Municipality Act, 1994, is legally empowered and duty-bound to recover the said amount either from the defaulter or its successor in interest.
14. The Respondent stated that the Revenue Inspector of the Kochi Municipal Corporation had demanded ITMA Hotels India Private Limited to pay property tax as per the demand notice issued. However, neither the Kochi Municipal Corporation nor any of its officers, including the Secretary, received any notice from the Resolution Professional regarding the Resolution Plan for ITMA Hotels India Private Limited. As a result, the Corporation was unable to participate in the resolution proceedings before this Tribunal and remains a stranger to the Resolution Plan and



subsequent orders passed in relation thereto. It is further stated that it was the statutory duty of the Resolution Professional to publish notice inviting claims from creditors in newspapers with adequate circulation and to serve notices to all relevant regulatory authorities, including the Sub Registrar, Village Officer, and the local civic body within whose jurisdiction the assets of the Corporate Debtor are situated. The Resolution Professional failed to comply with these mandatory requirements under the Insolvency and Bankruptcy Code, 2016, and the CIRP Regulations. Consequently, the Kochi Municipal Corporation did not have an opportunity to raise its claim for arrears of property tax and cannot be faulted for any alleged non-submission. No documents have been produced by the Petitioner to show that proper notice was served on the Corporation regarding the Resolution Plan or its terms under Regulation 39(5A) of the CIRP Regulations.

15. The Respondent stated that the Kochi Municipal Corporation is a civic body functioning under the Kerala Municipality Act, 1994, and is legally entitled to collect property tax from individuals and institutions owning property within its jurisdiction. The Corporation charges property tax as per Sections 230, 231, and 232 of the Kerala Municipality Act, 1994, and the Kerala Municipality (Property Tax, Service Tax and Surcharge) Rules, 2011. The Resolution Professional cannot take away this statutory right granted by the Legislature. The demand notice issued by the Corporation was in full compliance with these legal provisions, and the Corporation is entitled to recover the tax due



as per law. It is also stated that this Tribunal did not issue any direction in IA (IBC)/325/KOB/2024 in CP(IBC)/30/KOB/2021 to inform the authorities about the provisions of the Insolvency and Bankruptcy Code, 2016.

16. The Respondent stated that the approval of the Resolution Plan does not absolve M/s. ITMA Hotels India Private Limited or its successor from payment of the property tax dues as demanded by the Kochi Municipal Corporation. Since property tax arrears are still pending, the Corporation is legally unable to carry out the change of registry in the Petitioner's name. It is also stated that public funds are at default, and the Petitioner cannot seek a direction from this Tribunal to compel the Secretary of the Corporation to effect the change of ownership without full payment of outstanding dues. The attempt by the Petitioner to avoid paying a large amount of tax by approaching this Tribunal is improper and cannot be permitted. The law does not protect defaulters. Further, the judgment of the Hon'ble Supreme Court in *Ghanshyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited* was never meant to shield the insolvent or its successor from paying statutory tax dues.

17. The Respondent stated that the Petitioner has admitted that the Resolution Applicant had given an undertaking via email dated 15.11.2022 to settle 100% of statutory claims and dues, including taxes, without deducting amounts payable to financial creditors under the Resolution Plan, as per the Supreme Court's ruling in the *Rainbow Papers* case. This undertaking was attached as



Annexure-13 in pages 124–127 of the application, but was not produced with the present Interlocutory Application, which shows that the Petitioner has approached this Tribunal with unclean hands. It is also stated that ITMA Hotels Pvt. Ltd. had previously issued two post-dated cheques for a total amount of Rs. 63,41,002/- dated 31.03.2016 towards property tax arrears, but both cheques were dishonoured due to insufficient funds. In these circumstances, the Kochi Municipal Corporation is entitled to recover the full amount of property tax dues, along with applicable statutory charges, from the Corporate Debtor and its successors or assignees.

18. The Respondent further stated that realization and recovery of tax fall squarely within the powers of the Kochi Municipal Corporation as per the law. Therefore, the Petitioner's prayer seeking directions to change the name of the Managing Director in the records of the Corporation is not maintainable and deserves to be dismissed with compensatory costs, as property tax is a statutory liability that must be paid in accordance with law.

19. The Applicant has filed the rejoinder on 20.09.2025 and stated that it is a well-established principle of law that the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) override all other laws by virtue of Section 238 of the Code. This has been consistently upheld by various courts and tribunals across the country. The Hon'ble Supreme Court, in *Noida Special Economic Zone Authority v. Manish Agarwal* (AIR 2024 SC 5677), reaffirmed that once a Resolution Plan is approved under Sections 30 and 31



of the IBC, all dues, including statutory dues owed to the Central or State Governments or local authorities that are not part of the approved plan, shall stand extinguished, and no proceedings in respect of such dues for any period prior to approval can be continued. In the present case, the Resolution Plan for the Corporate Debtor was approved by this Tribunal on 29.03.2023, and the Respondent Authority did not submit any claims during the CIRP process. As a result, their claims are not part of the Resolution Plan, and the Applicant, being the Successful Resolution Applicant, is not liable to pay any dues that predate the approval of the Plan. Further, in *JSW Steel Ltd. v. Pratishtha Thakur Haritwal* (AIR 2025 SC 1979), the Hon'ble Supreme Court held that all such unclaimed dues, including statutory dues, are extinguished and any demand or recovery proceedings made for such prior dues is not only impermissible under law but is also contemptuous in nature. Therefore, the Respondent's act of issuing demand notices and initiating recovery for tax dues prior to 29.03.2023 is wholly without legal authority and in clear violation of the Clean Slate Doctrine under the IBC.

20. The Applicant stated that the allegation made in the reply regarding suppression of facts is completely false and baseless. The Applicant has not filed any application under IA(IBC)/300/KOB/2024, as that case number pertains to a different matter. It appears the Respondent has incorrectly referred to that number instead of IA(IBC)/325/KOB/2024 in CP(IBC)/30/KOB/2021, which has already been disclosed in para



4.8 of this Application. The Applicant is surprised by such misrepresentation, which seems to be a deliberate attempt to mislead this Tribunal. The Respondent's claim that the current Application is barred by *res judicata* is also incorrect, as the order dated 06.02.2025 in IA(IBC)/325/KOB/2024 clearly states that the application was withdrawn with liberty to file a fresh application. Further, the Respondent's objection regarding the designation "Municipal Secretary" is irrelevant, as the relief is sought against the Municipal Corporation itself. The authorised representative of the Respondent has already appeared and filed a reply, and there is no allegation of misjoinder of parties or procedural defect. Hence, the objections raised by the Respondent are without merit.

21. The Applicant stated that the dues mentioned in the reply relate to the period before the Resolution Plan of the Corporate Debtor was approved on 29.03.2023. Therefore, the clean slate doctrine and Section 238 of the IBC 2016 apply. The Applicant/SRA has also repeatedly informed the Respondent Authority of their willingness to pay any tax dues they are legally responsible for. However, the delay in recovering these dues is solely due to the Respondent Authority's inaction and negligence.
22. The Applicant stated that the Respondent Authority's claim that the Resolution Plan is not binding on them because they did not participate in the Resolution Process is incorrect and legally untenable. Under the Insolvency and Bankruptcy Code, 2016, once the Adjudicating Authority approves a Resolution Plan under



Section 31, it becomes binding on all stakeholders, including government bodies and local authorities. Further, the allegations against the ex-Resolution Professional regarding the CIRP process are baseless. The law requires the Interim/Resolution Professional to inform creditors or statutory authorities only if the Corporate Debtor's records show liabilities towards them. Since the Municipal Corporation dues were not reflected in the company's accounts, the Resolution Professional acted in good faith and within the scope of their role, which is to maximize the value of the Corporate Debtor's assets, not to recover statutory dues. The Resolution Plan was approved by this Tribunal as it met all legal requirements and was duly declared by the Resolution Professional in Form H.

23. The Applicant stated that the Respondent Authority's assertion that they cannot update the name in the registry of the Corporate Debtor is unfounded and lacks merit. The Respondent Authority has no right to recover tax dues or arrears from before the Resolution Plan's approval date from the Successful Resolution Applicant, who currently manages the Corporate Debtor. The Respondent Authority's intentional refusal to effect the name change has caused undue prejudice to the Applicant, who has consistently expressed a sincere intention to settle the legally owed tax liabilities. This refusal and the resulting delay have hindered the Applicant's ability to comply with statutory requirements, causing unnecessary hardship. Additionally, the Respondent's reference to the Rainbow Paper case is misleading,



as the Applicant has clarified its inapplicability in this matter, and there was no requirement to submit Annexure-13 with the application. Concerning the dishonoured cheques, the Applicant, having taken over management with a clean slate from 29.03.2023, has no knowledge of those cheques and cannot be held accountable for their dishonour.

**Analysis and Findings:**

24. We have heard both sides and also gone through the pleadings, documents, and other material available on record.
25. From the facts of the present case, it appears that this Tribunal vide order dated 29.03.2023 approved a Resolution Plan submitted by the Applicant.
26. In the present case, the Applicant has sought the reliefs seeking the direction to the Respondent Authority to take appropriate steps to allow the Applicant to remit their tax dues owed by Corporate Debtor for the period after the approval of the Resolution Plan, i.e., 29.03.2023, in the KSMART website/portal and make appropriate mutations in the Respondent's records to reflect the change in ownership of the CD for the assets, and the direction seeking the Respondent to take appropriate steps to change the name of the Managing Director of ITMA Hotels India Pvt Ltd. as Mr Tiju Varghese Chacko in their records in compliance with approved Resolution Plan and also as per ROC and MCA records.



27. The Respondent, Kochi Municipal Corporation, has opposed the present Application primarily on the ground that it is barred by the principle of *res judicata*, asserting that the Applicant had earlier filed a similar application seeking identical reliefs, which was later withdrawn. The Respondent further contends that the present Application suffers from vagueness, as the Applicant has failed to clearly identify the disputed properties or furnish sufficient material particulars required for carrying out the mutation of ownership. It is also the case of the Respondent that the Resolution Professional did not serve any notice upon the Corporation during the CIRP, thereby depriving it of an opportunity to submit its claims. As a result, the Corporation contends that it is not bound by the approved Resolution Plan. Additionally, the Respondent has argued that the right to levy and recover property tax is a statutory obligation under the Kerala Municipality Act, 1994 and the Kerala Municipality (Property Tax, Service Tax and Surcharge) Rules, 2011, which cannot be extinguished or overridden by the Resolution Plan. It is also submitted that unless and until the outstanding tax dues are fully discharged, the Applicant is not entitled to seek directions from this Tribunal to effect mutation or change in the ownership records maintained by the Corporation.

28. As regards the Respondent's contention that the present Application is barred by the principle of *res judicata*, the records clearly show that the earlier application, IA(IBC)/325/KOB/2024 in CP(IBC)/30/KOB/2021, was withdrawn by the Applicant with



express liberty granted by this Tribunal, vide order dated 06.02.2025, to file a fresh application. It is a well-settled legal position that the withdrawal of an application with such liberty does not attract the bar of *res judicata* even otherwise there was no adjudication on merits. Accordingly, this objection raised by the Respondent is devoid of merit and stands rejected.

29. As far as tax dues are concerned, we would like to reproduce Section 238 of the Insolvency and Bankruptcy Code, 2016, which reads as under:

*"238. Provisions of this Code to override other laws.*

*The provisions of this Code shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force or any instrument having effect by virtue of any such law."*

30. A plain reading of the above provision would reveal that the Code has an overriding effect on the other statutes and will override anything inconsistent contained in any other enactment. In this case, the Respondent Authority has not filed any claim during the Corporate Insolvency Resolution Process (CIRP), nor are their demands reflected in the Information Memorandum or the approved Resolution Plan. The Resolution Professional has made a public announcement to call claims from creditors, and it is the duty of the concerned creditors to file their claims in accordance with the law. Had there been any claim with the Resolution Professional, the matter would have been different. Therefore, the Respondent's contention that they were not informed about the insolvency process and thus could not file



their claim is not tenable, and as to the contention that recovery of tax is the statutory right of the Respondent, it is pertinent to note that once a Resolution Plan is approved under Section 31(1) of the IBC, it becomes binding on all stakeholders, including statutory authorities, irrespective of their participation, by virtue of the overriding effect under Section 238 of the IBC,2016.

31. We would like to refer to the decision of the Hon'ble Supreme Court in ***Ghanashyam Mishra and Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Company Ltd. & Ors.***, [\(2021\) ibclaw.in 54 SC](#), wherein it was held that once a Resolution Plan is approved, all claims against the Corporate Debtor stand extinguished. This includes claims by employees, creditors, members, as well as claims by the Central Government, State Governments, local authorities, guarantors, or any other stakeholders. The Hon'ble Apex Court emphasized that an approved Resolution Plan overrides all pre-existing claims, thereby allowing the Corporate Debtor to start afresh post-resolution."The said extract is reproduced hereunder:

*"58. Bare reading of Section 31 of the I&B Code would also make it abundantly clear, that once the resolution plan is approved by the Adjudicating Authority, after it is satisfied, that the resolution plan as approved by CoC meets the requirements as referred to in subsection (2) of Section 30, it shall be binding on the Corporate Debtor and its employees, members, creditors, guarantors and other stakeholders. Such a provision is necessitated since one of the dominant purposes of the I&B Code is, revival of the Corporate Debtor and to make it a running concern. 60. Perusal of Section 29*



*of the I&B Code read with Regulation 36 of the Regulations would reveal, that it requires RP to prepare an information memorandum containing various details of the Corporate Debtor so that the resolution applicant submitting a plan is aware of the assets and liabilities of the Corporate Debtor, including the details about the creditors and the amounts claimed by them. It is also required to contain the details of guarantees that have been given in relation to the debts of the corporate debtor by other persons. The details with regard to all material litigation and an ongoing investigation or proceeding initiated by Government and statutory authorities are also required to be contained in the information memorandum. So also the details regarding the number of workers and employees and liabilities of the Corporate Debtor towards them are required to be contained in the information memorandum.*

*61. All these details are required to be contained in the information memorandum so that the resolution applicant is aware, as to what are the liabilities that he may have to face and provide for a plan, which apart from satisfying a part of such liabilities would also ensure, that the Corporate Debtor is revived and made a running establishment. The legislative intent of making the resolution plan binding on all the stakeholders after it gets the seal of approval from the Adjudicating Authority upon its satisfaction, that the resolution plan approved by CoC meets the requirement as referred to in sub section (2) of Section 30 is, that after the approval of the resolution plan, no surprise claims should be flung on the successful resolution applicant. The dominant purpose is, that he should start with fresh slate on the basis of the resolution plan approved.*

*86. As discussed hereinabove, one of the principal objects of I&B Code is, providing for revival of the Corporate Debtor and to make*



*it a going concern. 1&B Code is complete Code in itself. Upon admission of petition under Section 7, there are various important duties and functions entrusted to RP and CoC. RP is required to issue a publication inviting claims from all the stakeholders. He is required to collate the said information and submit necessary details in the information memorandum. The resolution applicants submit their plans on the basis of the details provided in the information memorandum. The resolution plans undergo deep scrutiny by RP as well as CoC. In the negotiations that may be held between CoC and the resolution applicant, various modifications may be made so as to ensure, that while paying part of the dues of financial creditors as well as operational creditors and other stakeholders, the Corporate Debtor is revived and is made an ongoing concern. After CoC approves the plan, the Adjudicating Authority is required to arrive at a subjective satisfaction, that the plan conforms to the requirements as are provided in subsection (2) of Section 30 of the I&B Code. Only thereafter, the Adjudicating Authority can grant its approval to the plan. It is at this stage. that the plan becomes binding on Corporate Debtor, its employees, members, creditors, guarantors and other stakeholders involved in the resolution Plan. The legislative intent behind this is, to freeze all the claims so that the resolution applicant starts on a clean slate and is not flung with any surprise claims. If that is permitted, the very calculations on the basis of which the resolution applicant submits its plans, would go haywire and the plan would be unworkable.*

*95. In the result, we answer the questions framed by us as under:*

*(1) 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; 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."*

*(emphasis supplied)*

32. In this connection, we make a relevant reference to the decision of the Hon'ble Supreme Court in the matter of ***Embassy Property Developments Pvt. Ltd. v. State of Karnataka and Ors., (2020)*** [ibclaw.in 12 SC](https://www.ibclaw.in/12-SC), wherein it was held as follows: -

*36. From a combined reading of Subsection (4) and Sub section (2) of Section 60 with Section 179, it is clear that none of them hold the key to the question as to whether NCLT would have jurisdiction over a decision taken by the government under the provisions of MMDR Act, 1957 and the Rules issued thereunder. The only provision which can probably throw light on this question would*



*be Subsection (5) of Section 60, as it speaks about the jurisdiction of the NCLT. Clause (c) of Subsection (5) of Section 60 is very broad in its sweep, in that it speaks about any question of law or fact, arising out of or in relation to insolvency resolution. But a decision taken by the government or a statutory authority in relation to a matter which is in the realm of public law, cannot, by any stretch of imagination, be brought within the fold of the phrase "arising out of or in relation to the insolvency resolution" appearing in Clause (c) of Subsection (5). Let us take for instance a case where a corporate debtor had suffered an order at the hands of the Income Tax Appellate Tribunal, at the time of initiation of CIRP. If Section 60(5) (c) of IBC is interpreted to include all questions of law or facts under the sky, an Interim Resolution Professional/Resolution Professional will then claim a right to challenge the order of the Income Tax Appellate Tribunal before the NCLT, instead of moving a statutory appeal under Section 260A of the Income Tax Act, 1961. Therefore, the jurisdiction of the NCLT delineated in Section 60(5) cannot be stretched so far as to bring absurd results, It will be a different matter, if proceedings under statutes like Income Tax Act had attained finality, fastening a liability upon the corporate debtor, since, in such cases, the dues payable to the Government would come within the meaning of the expression "operational debt" under Section 5(21), making the Government an "operational creditor" in terms of Section 5(20). The moment the dues to the Government are crystalised and what remains is only payment, the claim of the Government will have to be adjudicated and paid only in a manner prescribed in the resolution plan as approved by the Adjudicating Authority, namely the NCLT.*

*(emphasis supplied)*



33. In *WP(C) No. 39185 of 2022, Kerala State GST Department v. National Company Law Tribunal (NCLT) and Anr.*, [\(2024\) ibclaw.in 85 HC](#), the Hon'ble High Court of Kerala observed that the National Company Law Tribunal lacks the power or authority under the Code to declare an assessment order as void ab initio and non est in law.
34. It is important to note that when this Adjudicating Authority approves the Resolution Plan, the plan becomes binding on the Corporate Debtor, its employees, members, creditors, guarantors, and other stakeholders involved in the Resolution Plan. The legislative intent behind this is to freeze all the claims so that the resolution applicant starts on a clean slate and is not taken off guard by any surprise claims. If, after approval of the Resolution Plan by this Adjudicating Authority, any claim pops up in respect of the Corporate Debtor, the very calculations based on which the Resolution Applicant has submitted its plans would go haywire, and the plan would be unworkable.
35. Thus, it is clear that the object of IBC, 2016 is to envisage a clean slate principle to the Resolution Applicant who takes over the Corporate Debtor under Section 31 of IBC, 2016 and the Judgment of the Hon'ble Supreme Court in the matter of Ghanashyam Mishra(supra) has made abundantly clear that the Resolution Applicant can be made liable for the dues which are forming part of the Information Memorandum and once the Resolution Plan is approved by this Adjudicating Authority, 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.

36. Notwithstanding the settled legal position that all claims, including statutory dues not forming part of the approved Resolution Plan, stand extinguished upon its approval under Section 31 of the IBC, 2016, it is imperative to clarify that this Adjudicating Authority, constituted under the Companies Act, 2013, does not possess jurisdiction to issue directions to the Government or any statutory authority acting within the domain of public law. As held by the Hon'ble Supreme Court in Embassy Property Developments Pvt. Ltd., matters that fall within the realm of public law are outside the purview of the NCLT and NCLAT's jurisdiction. Accordingly, any demand of the Respondent raised for any amount which is not a part of the Resolution Plan would not sustain in the eyes of law, and the Applicant would be able to avail an efficacious remedy as and when any demand comes from the Respondent. The Respondent should facilitate the payment of dues as applicable as per the Municipal Act in respect of the post approval period of the Resolution Plan, as appropriate on the property, without insisting on the recovery of arrears of alleged previous municipal dues, which stood extinguished due to the act and conduct of the Respondent itself, and also by operation of law.



37. As far as relief (2) is concerned, as per Section 30(2)(c) Insolvency and Bankruptcy Code, 2016, the management of Corporate Debtor upon approval of Resolution Plan as a going concern would vest in the Successful Resolution Applicant. The Successful Resolution Applicant, as per the provisions of the Companies Act, 2013, would be able to take over the management and appoint a new Managing Director and other Directors. So, upon completion of all such formalities, the management of Corporate Debtor would vest in Successful Resolution Applicant, and the proceedings in rem in nature would be binding upon all concerned stakeholders and also to the general public. But, the SRA is required to complete all formalities as per provisions of the Companies Act, 2013, and further the Successful Resolution Applicant upon completion of all such formalities would be required to apply to the Respondent as per procedure and Rules as applicable under the Municipal Act for the change of mutation and to carry out necessary modifications and entries in the Municipal records after being paid the requisite fees if any applicable.

38. The Respondent would be bound to recognize and give effect to such necessary changes in its records as per the approved Resolution Plan. So, if the applicant has completed all such formalities, the Respondent is under legal obligations to make necessary changes and entries in the records of rights and municipal records maintained by the Respondent to keep



IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOCHI BENCH

IA(IBC)/300/KOB/2025  
IN CP(IBC)/30/KOB/2021

In the matter of ITMA Hotels India Private Limited

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ownership records and records for the purpose of municipal tax and otherwise. So, the relief B is accordingly disposed of.

39. The present Application **IA(IBC)/300/KOB/2025 is disposed of** with the observations above.
40. The Registry is directed to send e-mail copies of this order forthwith to all the parties and their Learned Counsels for information and for taking necessary steps.
41. Let the certified copy of the order be issued upon compliance with the requisite formalities.
42. File be consigned to records.

**Sd /-**  
**MADHU SINHA**  
**(MEMBER TECHNICAL)**

**Sd /-**  
**VINAY GOEL**  
**(MEMBER JUDICIAL)**

Signed on this the 8<sup>th</sup> day of October, 2025.

*At\**