2026:AHC:92174-DB

AFR
Reserved on 12.02.2026
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HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT - C No. - 32408 of 2023

M/s Reliance Projects and Property
Management Services Limited

…..Petitioner(s)

Versus

State of U.P. and 25 others

…..Respondent(s)

Counsel for Petitioner(s)	:	Rahul Agarwal, Vedant Agarwal
Counsel for Respondent(s)	:	Ankit Prakash, Baleshwar Chaturvedi, C.S.C., Kartikeya Saran, Krishna Agarawal, Mukesh Kumar Singh, Rahul Agarwal, Udit Chandra

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Court No. - 1

HON'BLE AJIT KUMAR, J.
HON'BLE SWARUPAMA CHATURVEDI, J.

(Per Swarupama Chaturvedi, J.)

For the convenience of exposition, this common order is divided into the following parts:-

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I

Introduction

1. Present petition has been filed under Article 226 of the Constitution of India, praying for issuance of several orders and directions in the nature of writ of certiorari and mandamus. Main relief sought in the petition is for order or direction in the nature of certiorari quashing the impugned Recovery Certificates and *kurki* proceedings issued by respondent nos.1 to 6, especially the impugned demands to the extent they relate to alleged electricity dues for the period prior to 22.12.2022 when the resolved company was effectively commenced.

2. The petitioner further prays for issuance of the writ in the nature of mandamus commanding the respondents to de-seal the mobile tower sites as detailed in the writ petition and to restore electricity supply to all disconnected sites. A further direction has been prayed for requiring the respondents to act in accordance with Section 31(1) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “IBC”) and the law laid down by the Supreme Court in ***Ghanshyam Mishra v. Edelweiss Asset Reconstruction Co. Ltd., (2021) 9 SCC 657*** and ***M/s Ruchi Soya Industries Ltd. v. Union of India & Ors., (2022) 6 SCC 343***.

3. The petitioner has also prayed for an order or direction in the nature of mandamus declaring that the approved resolution plan dated 25.11.2019 is binding on all stakeholders and that no liability survives in respect of any debts, claims or dues arising prior to 22.12.2022, including those of statutory authorities. Consequential reliefs have been prayed for restraining the respondents from taking any coercive steps pursuant to the impugned demands and Recovery Certificates, and for a direction to grant new electricity connections in respect of existing and pending applications for mobile tower sites, subject to compliance with applicable conditions.

4. Counter affidavits have been filed on behalf of contesting respondents and rejoinder affidavits have also been filed by the petitioner. With the consent of learned counsel for the respective parties, the writ petition was taken up for final hearing and is being disposed of by this judgment.

II

Factual Matrix

5. The facts of the case, as emerging from the pleadings on record are that the insolvency petition under Section 9 of the IBC was admitted against Reliance Infratel Ltd. (hereinafter referred to as “RITL”) by the National Company Law Tribunal, Mumbai (hereinafter referred to as “NCLT”) *vide* its order dated 15.05.2018. The above mentioned NCLT order imposed the moratorium and appointed the Interim Resolution Professional (hereinafter referred to as “IRP”), as on 18.05.2018, consequently the Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) got commenced.

6. On 21.05.2018, the IRP made the public announcement (hereinafter referred to as the "First Public Announcement") inviting all the creditors of RITL to submit proof of claims. Meanwhile the NCLT order dated 15.05.2018, admitting the insolvency petition got challenged in National Law Company Appellate Tribunal (hereinafter referred to as the “NCLAT”), where the NCLT order got stayed by an order dated 30.05.2018, but later on, the petition got withdrawn on 30.04.2019 and consequently CIRP got re-commenced as per IBC.

7. On 07.05.2019 IRP made another public announcement (hereinafter referred to as the "Second Public Announcement") inviting all the creditors to submit proof of claims. It is an undisputed fact that respondent authorities have not submitted any claim before the Resolution Professional (hereinafter referred to as ‘RP’) during CIRP for which the impugned demand notices are being issued. On 24.05.2019 IRP prepared the Information Memorandum and the Committee of Creditors (hereinafter referred to as “CoC”) of RITL was constituted.

8. On 21.06.2019 NCLT confirmed the appointment of RP. As per procedure prescribed under IBC, the RP published Form G containing a detailed invitation for expression of interest (hereinafter referred to as "EOI") to which Reliance Projects & Property Management Services Ltd. (hereinafter referred to as “RPPMSL”) responded positively. Additionally RP issued letters dated 25.07.2019 and 22.08.2019 addressed to all State Electricity Boards, Distribution Companies, and other respondents informing them of the CIRP and calling for claims.

9. Following due procedure of the CIRP, the RPPMSL submitted its resolution plan, which got approved by the CoC on 02.03.2020 and subsequently, NCLT approved the same resolution plan *vide* its order dated 03.12.2020. The order passed by the NCLT was assailed in appeals before NCLAT as well as Supreme Court.

10. The NCLT order approving resolution plan got assailed by some stakeholders before NCLAT, which stayed the distribution of the total resolution amount to certain parties due to inter-creditor disputes. The matter travelled upto the Supreme Court where the resolution plan got a way to move towards its implementation.

11. The NCLT *vide* its order dated 21.11.2022 allowed RPPMSL's application to deposit the Total Resolution Amount in an escrow account towards successful implementation of the resolution plan. Thereafter on 22.12.2022, minutes of the meeting of the CoC noted that all steps of the implementation in the resolution plan were completed.

12. Further, consequent to the order dated 11.05.2023 passed by the NCLT, Mumbai and the order dated 07.08.2023 passed by the NCLT, Ahmedabad under Sections 230-232 of the Companies Act, 2013, RITL stood merged into the Petitioner Company with effect from 22.12.2022. Hence, records demonstrate that pursuant to the approval of the resolution plan, RPPMSL took over RITL on 22.12.2022, which became the effective date.

13. After complete implementation of the approved resolution plan, Respondent Nos.3 to 6 have issued recovery certificates and raised demands against RITL in respect of electricity dues pertaining to the

period prior to the effective takeover date. The Respondents also disconnected electricity for some mobile towers while insisting upon payment of the entire amount, along with interest and penalty, as a precondition for reconnection.

14. Aggrieved by above, petitioner company has filed this petition under Article 226, challenging mainly the demand notices issued by the respondent authorities. Although there are various prayers made in the petition, during hearing counsel appearing from respective parties agreed that the main point of contest was the demand notice, to the extent that such dues relate to the period prior to the date to commence liability *i.e.*, 22.12.2022 and also the fact as which date would be considered as the date to commence liability, date of approval of resolution plan by NCLT or the date when the resolved company effectively commenced.

III

Submissions on behalf of Petitioner

15. We have heard Sri Navin Sinha, learned Senior Advocate assisted by Sri Vedant Agarwal, Sri Madhav Kanoria and Sri Aditya Swaroop, learned counsel for the petitioner. At the outset, Sri Sinha, learned Senior Advocate submitted that a public announcement was made by the IRP upon commencement of the CIRP, inviting all creditors to submit their respective claims, and in addition, RP also send letters to all the DISCOMs (licensees) informing commencement of CIRP, still no claim was filed by the respondents during CIRP.

16. Sri Sinha had drawn the attention of the Court to the list of statutory creditors mentioned in the resolution plan, and argued that despite such public announcement and individual letters, none of the DISCOMs

submitted any claim before the RP. He submitted that the CoC unanimously approved the resolution plan, which came to be approved by the NCLT *vide* its order dated 03.12.2020. The said approval was unsuccessfully assailed before the NCLAT and further before the Supreme Court, where the challenge culminated in dismissal of the petition in ***Pratap Technocrats (P) Ltd. And Others Vs. Monitoring Committee of Reliance Infratec Ltd. And Others, order dated 10.08.2021 in Civil Appeal No. 676 of 2021*** thereby upholding the order approving of the resolution plan.

17. It was further submitted that none of the DISCOMs ever challenged the resolution plan at any stage by asserting their alleged claims before any forum. Sri Sinha had also submitted that on 22.12.2022, the new management took over the company in terms of the approved resolution plan upon payment of the resolution amount into the designated account. Learned Senior Advocate emphasized that till the above-mentioned date, no demand had been raised by any of the DISCOMs, although, according to him, electricity supply to certain mobile towers had been disconnected in part even prior to and during the CIRP period.

18. It was contended that it was only after the resolution plan attained finality and the new management assumed control that the respondent DISCOMs raised demands towards electricity charges pertaining to the period prior to the CIRP and also for the period prior to the date of effective takeover. Sri Sinha submitted that, in view of Section 31 of the IBC, such claims, not having been submitted before the RP, stood extinguished. In support, reliance was placed on the judgment of the Supreme Court in ***Tata Power Western Odisha Distribution Ltd. and***

another Vs. Jagannath Sponge Pvt. Ltd., (2023) SCC OnLine SC 2442, to contend that once a resolution plan was approved, the successful resolution applicant could not have been burdened with past liabilities, and permitting such claims would defeat the very scheme of the enactment. It was, thus, submitted that the impugned demand notices and consequential recovery proceedings were liable to be quashed.

19. Sri Sinha, however, fairly submitted that insofar as the dues arising after 22.12.2022 were concerned, the petitioners were ready and willing to pay the same, subject to restoration of electricity connections to enable operation of the mobile towers. He further submitted that the liability of the petitioner, if any, would arise only from 22.12.2022, when the new management has taken over and claimed this date to be effective date (hereinafter 22.12.2022 shall be referred to as ‘effective date’ for convenience).

20. Sri Sinha invited attention of the Court to the relevant clauses of the resolution plan, *i.e.*, clause 1.2.6 and clause 4.1, as also clauses 2.1.1 and 2.1.2, submitted that an “Interim Monitoring Committee” was constituted post-approval of the resolution plan by the NCLT, comprising the RP, nominees of financial creditors and nominees of the petitioner company, for which the petitioner had also contributed a sum of Rs. 100 crores.

21. Sri Sinha urged that upon payment of the entire resolution amount on the effective takeover date, no liability of the erstwhile corporate debtor could survive in respect of any dues prior thereto. He had invited the attention of the Court to the minutes of the meeting of the Interim

Monitoring Committee/ Committee of Management, particularly agenda item no. B2, to indicate that the Effective Date has been recorded as 22.12.2022, being the date on which the resolution amount stood deposited in the escrow account maintained with the State Bank of India. It was, thus, submitted that the petitioner had already discharged liabilities from the said date onwards and no prior dues, therefore, remained recoverable.

22. Sri Sinha has also placed reliance upon the letter dated 25.07.2019 issued by the Resolution Professional, wherein it has been stated that the resolution plan would be deemed to have become effective upon deposit of the entire resolution amount in the designated account. In further support of his submissions, reliance has been placed upon the judgment of the Supreme Court in ***Ghanshyam Mishra and Sons Pvt. Ltd. (supra),*** particularly paragraphs 132, 140 and 149 of the judgment, to contend that all claims not forming part of the resolution plan stand extinguished and that the successful resolution applicant is entitled to get the company as a “clean slate.”

23. It was urged that the liability, if any, would arise only from the Effective Date, *i.e.*, the date of transfer of control coupled with deposit of the resolution amount, and not from the date of approval of the resolution plan by NCLT as the order continued to be under litigation, which was a situation not under control of the petitioner. He further contended that the resolution plan was binding upon all stakeholders and on the point as to from when the liability would have arisen, it was clearly provided under the plan and, therefore, the demand was to be raised only after the effective date, which was date of takeover and not

the date of NCLT order in the facts of this case considering the years long time gone under litigation due to which the resolution plan could not get implemented.

24. On the basis of aforesaid, Sri Sinha argued that all claims, including statutory dues of the erstwhile RITL, stood extinguished on the effective takeover date *i.e.*, 22.12.2022. He also submitted that the successful resolution applicant could not be burdened by uncertain past liabilities of corporate debtor as it would defeat the object of the IBC.

25. Sri Sinha submitted that by virtue of Section 238 of the IBC, the provisions of IBC override the Electricity Act, 2003 and any subordinate legislation framed thereunder. He argued that the respondents, having failed to submit their claims despite due notice, were precluded from raising the same at later stage and the petitioner had, in any case, already incurred substantial expenditure exceeding Rs. 75 crores towards electricity dues for operational towers during the CIRP and Interim Monitoring Committee period, and no liability can be fastened in respect of non-operational towers or towards interest and penalty for the prior period.

26. Sri Sinha lastly submitted that the similar issue was before the division bench of the High Court of Meghalaya at Shillong in ***Meghalaya Power Distribution Corporation Limited (MePDCL) v. M/s Reliance Infratel Limited, 2025:MLHC:365-DB***, regarding same resolution plan and the High Court had restrained the authorities from raising old electricity dues pertains to the corporate debtor while holding

that all debts not included in the plan prior to the effective date would be deemed to be extinguished.

IV

Submissions on behalf of Respondents

27. We have heard Sri Manish Goyal, learned Senior Advocate assisted by Sri Udit Chandra, learned counsel for the respondent Power Corporation, Sri Krishna Agrawal, learned counsel for respondent no.2, Sri Mukesh Kumar Singh, learned counsel for respondent no.4, Sri Baleshwar Chaturvedi, learned counsel for respondent no.5, Sri Ankit Prakash, learned counsel appearing for respondent no.6. Since submissions advanced by learned counsel appearing for contesting respondents were similar as well as overlapping, we consider it appropriate to record it altogether, as the issues involved are common.

28. Leading the submission on behalf of respondents, Sri Goyal, learned Senior Counsel, at the outset fairly submitted that the legal position, insofar as extinguishment of claims not submitted before the RP was concerned, it stood settled against respondents. He submitted that where a creditor, including the Government or its instrumentalities, had failed to lodge its claim in the CIRP and the resolution plan had came to be approved by the NCLT, the provisions of Section 31(1) of the IBC would operate to extinguish such claims, and any recovery in respect thereof would not be sustainable in law. He further submitted, in all fairness, that this position stood conclusively settled by a catena of judgments of the Supreme Court, including the case of ***Ghanshyam Mishra and Sons Pvt Ltd (supra).***

29. However, Sri Goyal raised a caveat to the extent of the petitioner's contention regarding the "Effective Date." He submitted that the liability of the petitioner could not have been confined to the date of transfer of management or deposit of the resolution amount, *i.e.*, 22.12.2022, and instead must relate back to the date of approval of the resolution plan by the NCLT, *i.e.* 03.12.2020. Elaborating the submission, he contended that the order of the NCLT approving the resolution plan, in unequivocal terms, stipulated that the plan shall be effective from the date of the order itself.

30. Sri Goyal referred to the relevant directions, particularly clause 8.2.1 of the plan, to submit that the approval order clearly manifested the intention that the plan would come into force from the date of such approval and not from any subsequent date of transfer of assets or payment.

31. Sri Goyal further submitted that the constitution of an Interim Monitoring Committee, as referred to by the petitioner, was merely a facilitative mechanism for implementation of the resolution plan and did not, in any manner, defer or alter the date from which the plan became operative. He contended that, in view of the proviso to Section 31(1) of the IBC, the Adjudicating Authority was required to satisfy itself regarding the feasibility and implementation of the plan and may issue necessary directions for its effective execution. According to him, such directions cannot be construed as postponing the operative date of the plan, and once the NCLT has clearly directed that the plan shall be effective from the date of its order, no other interpretation was permissible.

32. It was further argued by Sri Goyal that any subsequent deposit of funds or procedural steps, including transfer of money into an escrow account with the State Bank of India pursuant to *inter se* disputes between financial institutions or directions issued by the Supreme Court, would not have the effect of altering the effective date of the resolution plan. He submitted that these were consequential steps towards implementation and cannot determine the date from which liabilities are to be reckoned.

33. Dealing with the argument based upon the judgment in ***Ghanshyam Mishra and Sons Pvt. Ltd (supra)*** relied upon by the petitioner, Sri Goyal submitted that the said judgment did not address the issue as to whether the effective date of a resolution plan was the date of approval by NCLT or the date of transfer of management. According to him, the observations therein could not be read to draw any inference that the effective date would be the date of transfer of control, and any such interpretation would amount to reading beyond the ratio of the judgment. He further submitted that any directions in the said judgment relating to the date of transfer were traceable to the powers of the Supreme Court under Article 142 of the Constitution of India and could not be treated as a binding declaration of law on the issue.

34. Sri Ankit Prakash, learned counsel appearing for respondent no. 6, supplemented the submissions by placing reliance upon the terms of the resolution plan itself, particularly clause 1.2.6, to contend that the plan expressly provided that it shall be effective from the date of approval by the NCLT.

35. Respondents further contended that under clause 4.3(f)(iv) of the U.P. Electricity Supply Code, 2005, the outstanding electricity dues constitute a “first charge” on the assets, and therefore, any subsequent applicant or entity seeking reconnection was liable to clear such dues. It was urged that by virtue of such statutory charge, the respondent DISCOMs would become secured creditors, and such security interest, being created by operation of law, could not be extinguished under IBC.

36. It was also argued that electricity being an essential service within the meaning of Section 14(2) of the IBC, if the petitioner continued to consume electricity during the moratorium period for maintaining the corporate debtor as a going concern, the corresponding dues would necessarily be payable.

37. Placing reliance on the principle laid down in ***K.C. Ninan Vs. Kerala SPB (2023) 14 SCC 431***, it was further contended that a request for restoration of electricity supply at a disconnected premises amounts to “reconnection” and not a fresh connection, and therefore, the respondent authorities are entitled to insist upon clearance of past arrears as a condition precedent for such reconnection.

38. Lastly, reliance was placed on the doctrine emerging from ***State Tax Officer v. Rainbow Papers Limited (2022) SCC online SC 1162,*** to contend that if a resolution plan failed to account for statutory dues or ignored a statutory first charge created by law, the same would be legally untenable and ought not to have been approved by the Adjudicating Authority. Accordingly, it was submitted that the respondent authorities

are within their rights to enforce recovery of such dues and to insist upon payment as a precondition for restoration of electricity supply.

V

Points for Determination

39. Having regard to the factual matrix and the rival submissions advanced on behalf of the parties, the following points arise for determination:

(i) Whether IBC overrides the electricity laws and regulations, thereby barring the respondent authorities from raising demands for the pre-resolution period after the resolution plan is duly approved and implemented.

(ii) Whether the respondent authorities could raise demand for their statutory dues after implementation of resolution plan, while they have neither filed their claim during CIRP nor objected to the resolution plan before NCLT.

(iii) Whether there can be any liability, which was not mentioned in the resolution plan, can be imposed upon petitioner for the duration prior to the effective date of the implementation of the plan, in the facts and circumstances of the case.

(iv) Whether the impugned demands, recovery certificates and consequential coercive measures are sustainable in law.

VI

Discussion and Analysis

40. The Supreme Court has analysed the scope of the judicial review in the IBC related cases in ***Torrent Power Ltd. v. Ashish Arjunkumar Rathi and Others, 2026 SCC OnLine SC 325***, where it was held that:

> *"14.7. Predictability and finality are thus essential to maintaining a robust insolvency regime. Judicial intervention beyond the narrow statutory confines undermines both predictability and finality. Recognising this, the IBC deliberately confines judicial review to strict statutory compliance under Sections 30(2) and 61(3). Respecting these limits will preserve the economic sense of the IBC and ensure that insolvency remains a predictable, time-bound, and market-driven process."*

41. Being conscious of the settled legal position that the scope of judicial review over an approved resolution plan under the IBC is very limited, and that the commercial wisdom of the CoC is not open to judicial scrutiny, especially at the stage when the resolution plan is already implemented, we proceed to examine issues arising for determination in these petitions.

(i) Overriding Effect of the IBC over Electricity Laws.

42. The question of primacy between the IBC and the Electricity Act, 2003 arises for consideration in the present case. Learned counsel for the petitioner has drawn attention to Section 238 of the IBC, which contains a non obstante clause asserting the overriding effect of the Code over all other laws in force. *Per contra*, learned counsel appearing for the respondents have placed reliance upon Sections 173 and 174 of the Electricity Act, 2003 to contend that the said enactment has an overriding effect in certain circumstances. In this backdrop, it becomes necessary to examine the scope and interplay of the aforesaid provisions to determine which Statute would prevail in the event of inconsistency.

43. In addition to Section 238 IBC, the significant role is also being played by Section 31 of the IBC, which indicates that an approved resolution plan is binding on all stakeholders, including governmental and statutory authorities. Section 31 (1) of the IBC is reproduced below for easy reference:

> *"31. Approval of resolution plan. (1)* ***If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors under sub-section (4) of section 30 meets the requirements as referred to in sub-section (2) of section 30, it shall by order approve the resolution plan which shall be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed.] guarantors and other stakeholders involved in the resolution plan****:*
>
> *Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section, satisfy that the resolution plan has provisions for its effective implementation."*
>
> *(emphasis supplied)*

44. We also consider it necessary to refer legal maxim, "*leges posteriores priores contrarias abrogant*", which means wherever two enactments are irreconcilably inconsistent, the later enactment must prevail to the extent of such inconsistency. This principle of interpretation of statutes is generally applicable in a situation where two enactments appear to operate in the same field but got enacted in different timeline. It is a settled rule of statutory interpretation is that where there is a conflict between two Statutes, the Court must first

attempt a harmonious construction, however, where such reconciliation is not possible, the later enactment would prevail as per above-mentioned maxim.

45. The IBC is a subsequent and comprehensive legislation intended to consolidate and amend the laws relating to insolvency resolution, specifically focussing on revival of corporate debtors in a time-bound manner. The scheme of the Code would be rendered unworkable if past liabilities, not forming part of the resolution plan, were permitted to be raised by claimants relying upon any other Statute.

46. For ascertaining the legislative intent underlying the enactment of the IBC, we consider it appropriate to refer to its preamble, which was also analysed by the Supreme Court in ***Innovative Industries Ltd. v. ICICI Bank & Anr., (2018) 1 SCC 407*.** It is settled beyond ambiguity that IBC was enacted to consolidate and amend the laws relating to reorganisation and insolvency resolution of corporate persons, partnership firms, and individuals in a time-bound manner, keeping in view maximisation of assets value. It further seeks to balance the interests of all stakeholders while providing a waterfall mechanism for payment of dues.

47. Thus, when Section 238 of the IBC is read in light of the objective of the Code and established legal principles, there remains no doubt that in the event of inconsistency between the IBC and any other Statutes, including sector-specific enactments such as the Electricity Act, 2003, the provisions of the IBC would prevail.

48. In this regard, reference may be made to ***Paschimanchal Vidyut Vitran Nigam Ltd. (supra)***, wherein the Supreme Court considered the

status of electricity dues in the context of the IBC and held that the IBC overrides the provisions of the Electricity Act, 2003, as section 238 of the IBC contains a *non-obstante* clause. The Supreme Court distinguished findings of ***Rainbow Papers (supra)*** contextually and further held that:

> *"53. Rainbow Papers [STO v. Rainbow Papers Ltd., (2023) 9 SCC 545] did not notice the"waterfall mechanism" under Section 53-the provision had not been adverted to or extracted in the judgment. Furthermore, Rainbow Papers [STO v. Rainbow Papers Ltd., (2023) 9 SCC 545] was in the context of a resolution process and not during liquidation. Section 53, as held earlier, enacts the waterfall mechanism providing for the hierarchy or priority of claims of various classes of creditors. The careful design of Section 53 locates amounts payable to secured creditors and workmen at the second place, after the costs and expenses of the liquidator payable during the liquidation proceedings. However, the dues payable to the government are placed much below those of secured creditors and even unsecured and operational creditors. This design was either not brought to the notice of the Court in Rainbow Papers [STO v. Rainbow Papers Ltd., (2023) 9 SCC 545] or was missed altogether. In any event, the judgment has not taken note of the provisions of IBC which treat the dues payable to the secured creditors at a higher footing than dues payable to the Central or the State Government."*
>
> *….*
>
> *57. Similarly, in Duncans Industries Ltd. v. AJ Agrochem [Duncans Industries Ltd. v. AJ Agrochem, (2019) 9 SCC 725 : (2019) 4 SCC (Civ) 669] , Section 16-G of the Tea Act, 1953 which required prior consent of the Central Government (for initiation of winding-up proceedings) was held to be overridden by IBC.* ***In a similar manner, it is held that Section 238 IBC overrides the provisions of the Electricity Act, 2003 despite the***

latter containing two specific provisions which open with non obstante clauses (i.e. Sections 173 and 174*). The position of law with respect to primacy of IBC, is identical with the position discussed in ABG Shipyard Liquidator [ABG Shipyard Liquidator v. Central Board of Indirect Taxes & Customs, (2023) 1 SCC 472 : (2023) 1 SCC (Civ) 251] and Duncans Industries [Duncans Industries Ltd. v. AJ Agrochem, (2019) 9 SCC 725 : (2019) 4 SCC (Civ) 669] [refer also : Innoventive Industries [Innoventive Industries Ltd. v. ICICI Bank, (2018) 1 SCC 407 : (2018) 1 SCC (Civ) 356] , CIT v. Monnet Ispat & Energy Ltd. [CIT v. Monnet Ispat & Energy Ltd., (2018) 18 SCC 786 : (2019) 3 SCC (Civ) 252] , Ghanashyam Mishra & Sons (P) Ltd. v. Edelweiss Asset Reconstruction Co. Ltd. [Ghanashyam Mishra & Sons (P) Ltd. v. Edelweiss Asset Reconstruction Co. Ltd., (2021) 9 SCC 657 : (2021) 4 SCC (Civ) 638] , and Jagmohan Bajaj v. Shivam Fragrances (P) Ltd. [Jagmohan Bajaj v. Shivam Fragrances (P) Ltd., 2018 SCC OnLine NCLAT 413]].”*

(emphasis supplied)

(ii) Validity of Pre-CIRP dues raised after implementation of Resolution Plan.

49. The law on this issue is well settled by the Supreme Court in a catena of judgements as it was fairly submitted by Sri Goyal learned senior counsel but some of the respondents’ counsel continued submission on this issue and, therefore, the issue require consideration.

50. The judgement of the Supreme Court in ***Tata Power Western Odisha Distribution Ltd. and Anr. (supra),*** is very relevant in the facts of this case, where it was held that:

“1. In our opinion, the legal issue is covered by the judgment of this court in Paschimanchal Vidyut Vitran Nigam Ltd. v. Raman Ispat P. Ltd. [See (2023) 23 Comp Cas-OL 524 (SC); 2023 SCC OnLine SC 842.] and the order of this

court in Southern Power Distribution Co. of Andhra Pradesh Ltd. v. Gavi Siddeswara Steels (India) P. Ltd. [See (2023) 24 Comp Cas-OL 213 (SC), order dated September 6, 2023 in Civil AppealNos. 5716 and 5717 of 2023.] . The appellant-Tata Power Western Odisha Distribution Ltd. cannot insist on payment of arrears, which have to be paid in terms of the waterfall mechanism, for grant of an electricity connection. However, the successful resolution applicant will have to comply with the other requirements for grant of electricity connection. The clean slate principle would stand negated if the successful resolution applicant is asked to pay the arrears payable by the corporate debtor for the grant of an electricity connection in her/his name."

51. The Supreme Court in ***Ghanshyam Mishra and Sons Pvt. Ltd. (supra)*** held that the term "operational Creditor" included Central and State Governments and any other local authority, following its earlier decision in the case of ***Essar Steel India Ltd. Committee of Creditors v. Satish Kumar Gupta (2020) 8 SCC 531*** and thereafter concluded that:

"102.1. 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."

52. These principles were followed in ***RPS Infrastructure Ltd. v. Mukul Kumar (2023) 10 SCC 718,*** and ***Vaibhav Goel & anr v. Deputy***

Commissioner of Income-Tax & anr (2025) 8 SCC 511. In ***RPS Infrastructure Limited (supra)***, and the Supreme Court relied upon its observations in ***Essar Steel India Ltd. Committee of Creditors (supra)*** on entertaining claims after the resolution plan had been accepted by the CoC. Supreme Court was of the view that the finality after undergoing the due process under IBC could not be easily interfered with by the adjudicating authority.

53. In ***Vaibhav Goel & Anr. (supra)***, the Supreme Court held that:

> *"all the dues including the statutory dues owed to the Central government, any State Government or any local authority, if not a part of the resolution plan, shall stand extinguished and no proceedings could be continued in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 of the IB Code."*

54. Relying upon the principles established by the Supreme Court in ***Essar Steel India Ltd. Committee of Creditors (supra),*** and ***Ghanshyam Mishra and Sons Pvt. Ltd. (supra),*** this Court in similar facts and issue in ***South East U.P. Power Transmission Company Limited Vs. Prescribed Authority and 4 others, order dated 24.04.2026 in Writ C No. 19391 of 2023*** has held that:

> *"76. The principle established by the Supreme Court in the aforementioned judgments is that a successful resolution applicant must be permitted to take over the corporate debtor on a "clean slate" the entity should be free from past liabilities except those specifically preserved in the Resolution Plan. The IBC is based on the principle that upon approval of a Resolution Plan, the corporate debtor emerges from insolvency in a renewed form, with its past liabilities crystallised and confined strictly to those recognised in the Resolution Plan."*

55. Respondents relied upon ***State Tax Officer (1) v. Rainbow Papers Ltd. (supra)***, where the State Tax Officer had raised the claim before the CoC, which was not taken into consideration by the CoC. As such, Court came to a finding that the satisfaction arrived at by the adjudicating authority under Section 31 of the Code was vitiated. Therefore, we are of the considered view that the facts in ***Rainbow Papers*** are totally distinguishable to the facts of the present case and hence the judgment is of no help to the respondents.

56. While dealing with the same resolution plan as in this case and old dues of corporate debtor, the High Court of Meghalaya at Shillong has held in ***Meghalaya Power Distribution Corporation Limited (MePDCL) (supra)*** that:

> *"Then under section 31, the resolution plan goes for approval to the adjudicating authority. The adjudicating authority has a concurrent duty of satisfying itself that inter alia the plan provides for payment of the debts of operational creditors. Thereafter, the adjudicating authority which is the NCLT approves the resolution plan. Section 60 provides that during pendency of the resolution plan before the adjudicating authority or NCLT, any application is to be made before it. Such an application under section 60 (5) (c) includes one for determination to any question with regard to insolvency resolution. Under Section 61 an appeal from a decision of the NCLT lies before the appellate authority (NCLAT). Such appeal under section 61(2) has to be filed within 30 (thirty) days of the decision of the NCLT, the Appellate Tribunal may extend such time by a maximum period of 15 days. A further appeal lies under section 62 of the Supreme Court within 45 days which may be further extended by 15 days and no more."*

57. Further, on the issue of raising the demand of electricity dues for pre-CIRP period, the High Court of Meghalaya at Shillong referred various judgements of the Supreme Court on the issue and thereafter held in in ***Meghalaya Power Distribution Corporation Limited (MePDCL) (supra)*** that :

> *"On a proper interpretation of this judgment till such time as a resolution plan is declared as invalid it would be presumed to be valid and all debts not included in the plan prior to the effective date would be deemed to be extinguished."*

It was further held that:

> *"In my opinion, unless any contrary order is brought from a competent jurisdiction declaring invalidity of the resolution plan, the plan as approved by NCLT is valid and binding on all stakeholders.*
>
> *In the facts and circumstances of this case the said alleged debts of the first respondent to the appellant are not included in the resolution plan as approved by the adjudicating authority, NCLT on 3rd December, 2020. Therefore, those debts before the effective date of the plan i.e., 22nd December, 2022 are deemed to have been extinguished.*
>
> *Therefore, I pass an order of injunction restraining the appellant from taking steps or from enforcing its demand notice dated 12th June, 2023."*

58. We are in respectful agreement with the view taken by the Meghalaya High Court in ***Meghalaya Power Distribution Corporation Limited (MePDCL) (supra)***, as there were multiple occasions and forums when respondents could have challenged the resolution plan if they had any grievance but after opting to neither file claim nor

challenging the resolution plan, respondents have lost the opportunity and the old claim of corporate debtor is extinguished in facts of the case.

(iii) Date of commencement of the liability

59. Next question which arises for consideration is as to when the liability starts for the payment of dues to the respondents. It is argued by the petitioner that the “effective date” of the resolution plan should be considered in the facts of the present case. The petitioner contends that the “Effective Date” is 22.12.2022, being the date on which the successful resolution applicant took over the management of the corporate debtor upon deposit of the resolution amount and actual implementation of the plan. On the other hand, the respondents submits that the resolution plan, having been approved by the NCLT on 03.12.2020, became effective from that date itself, and all consequences, including fastening of liability, must be from the date of NCLT order approving the resolution plan.

60. It is not in dispute that the resolution plan was approved by NCLT on 03.12.2020 and was thereafter challenged in appeal before NCLAT and travelled upto Supreme Court and then got finally upheld. In the circumstances the NCLT order could not be implemented in the meanwhile and that lead to put the resolution plan implementation on hold. It is also not in dispute that the actual change of management and operational control took place on 22.12.2022 upon completion of procedural formalities, including deposit of the resolution amount and implementation steps undertaken thereafter under the supervision mechanism provided in the plan. It can also not be denied that there was

no possibility of the resolution plan to become effective till the amount was deposited as per procedural requirement.

61. In the facts of this case the “Effective Date” assumes significance since it is closely linked with the commencement of liabilities of the successful resolution applicant as per clause 1.2.6 of the resolution plan. While the approval of the resolution plan by the NCLT confers legal sanction upon the plan, its operational implementation, including transfer of management and discharge of obligations under the plan, may occur subsequently in accordance with its terms and the implementation framework contemplated therein as the decision of CoC is final being the commercial wisdom and there cannot be judicial review to the clause which has specified the effective date in resolution plan itself, which got approved by the NCLT.

62. However, the respondents had raised question in this regard and therefore it becomes the point for determination as to whether mere approval of the resolution plan is sufficient to fix the date for imposition of liability even if the implementation thereof gets over delayed, or whether such liability can only arise upon actual implementation and transfer of control in terms of the resolution framework. This issue necessarily requires examination of the terms of the resolution plan itself, the implementation mechanism envisaged therein, and the legal effect of approval under Section 31 of the IBC.

63. Resolution plan in Clause 1.2.6 states that upon payments in the manner specified in sub-section 1.2.8 and payment of the Interim Management Costs in accordance with this resolution plan, the

Corporate Debtor or the resolution applicant or its Affiliates shall have no liability. For ready reference, Clause 1.2.6 is reproduced as below:-

> *"1.2.6 Upon payments in the manner specified in sub-section 1.2.8 below and payment of the Interim Management Costs in accordance with this Resolution Plan, the Corporate Debtor or the Resolution Applicant or its Affiliates shall have no liability towards:*
>
> *(a) any Stakeholder of the Corporate Debtor, including any Creditor whether Financial Creditors, Employees, Workmen, Government and/or Statutory Authorities, Other Operational Creditors, shareholders or any other stakeholder and all claims and liabilities of any nature whatsoever (whether claimed or unclaimed, admitted or not, due or contingent, asserted or un-asserted, crystallised or uncrystallised, known or unknown, disputed or undisputed) of the Corporate Debtor for any period up to the Effective Date towards the Creditors and other Stakeholders of the Corporate Debtor shall be extinguished and settled, upon payment of the Total Resolution Amount on the Effective Date, on and with effect from the NCLT Approval Date; and*
>
> *b)..."*

64. It is evident that, with effect from the date of approval by the NCLT, the liability of the Resolution Applicant was intended to commence, but in the resolution plan itself it is also stipulated that all claims against the Corporate Debtor would stand extinguished upon payment of the total resolution amount on the effective date. However, despite this clear framework, the Plan could not be implemented within the contemplated timeline, as the final payment itself was delayed due to challenges raised to the resolution plan. The issue of final payment could be resolved only after the interim order dated 30.11.2022 was passed by the Supreme Court in ***State Bank of India and Others vs. Doha Bank Q.P.S.C. and Another, Civil Appeal No. 8527 of 2022***.

65. The delay, therefore, was occasioned due to litigation and not by any lapse on the part of the Resolution Applicant. In ***State Bank of India and Others (supra)***, the Supreme Court further directed, in terms of the order dated 21.11.2022 passed by the NCLAT Court-I, Mumbai Bench, Maharashtra, that the amount be deposited in an escrow account to be opened with the State Bank of India. It was only thereafter effective steps toward implementation of the resolution plan were taken, culminating in the successful resolution of the Corporate Debtor as a new entity with effect from 22.12.2022 upon completion of all formalities.

66. In our considered view, the newly resolved company cannot be forced to bear the financial burden due to such delay caused because the NCLT order approving resolution plan got challenged before appellate Courts. To substantiate it, we would rely upon the Latin legal maxim, "*actus curiae neminem gravabit*" which means that an act of the Court shall prejudice no one. In the facts of this case, occasional interim orders delayed the effective date, which is to be considered as per clause mentioned in the resolution plan regarding commencement of liabilities and therefore, Court is to come forward to protect such litigant relying upon above maxim.

67. On the matter of delay due to litigation the Supreme Court has relied upon the above-mentioned maxim to do justice in ***Arcelor Mittal India Private Limited v. Satish Kumar Gupta, (2019) 2 SCC 1***, and held that:

> "***86.*** *Given the fact that both the NCLT and Nclat are to decide matters arising under the Code as soon as possible, we cannot shut our eyes to the fact that a large volume of litigation has*

now to be handled by both the aforesaid Tribunals. What happens in a case where the NCLT or the NCLAT decide a matter arising out of Section 31 of the Code beyond the time-limit of 180 days or the extended time-limit of 270 days? Actus curiae neminem gravabit — the act of the court shall harm no man — is a maxim firmly rooted in our jurisprudence (see Jang Singh v. Brij Lal [Jang Singh v. Brij Lal, (1964) 2 SCR 145 : AIR 1966 SC 1631] , SCR at p. 149 and A.R. Antulay v. R.S. Nayak [A.R. Antulay v. R.S. Nayak, (1988) 2 SCC 602 : 1988 SCC (Cri) 372 : 1988 Supp (1) SCR 1] , SCR at p. 71). It is also true that the time taken by a Tribunal should not set at naught the time-limits within which the corporate insolvency resolution process must take place. However, we cannot forget that the consequence of the chopper falling is corporate death. The only reasonable construction of the Code is the balance to be maintained between timely completion of the corporate insolvency resolution process, and the corporate debtor otherwise being put into liquidation. We must not forget that the corporate debtor consists of several employees and workmen whose daily bread is dependent on the outcome of the corporate insolvency resolution process. If there is a resolution applicant who can continue to run the corporate debtor as a going concern, every effort must be made to try and see that this is made possible. [Regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, states that the liquidator may also sell the corporate debtor as a going concern.] A reasonable and balanced construction of this statute would therefore lead to the result that, where a resolution plan is upheld by the appellate authority, either by way of allowing or dismissing an appeal before it, the period of time taken in litigation ought to be excluded. This is not to say that the NCLT and Nclat will be tardy in decision-making. This is only to say that in the event of the NCLT, or the Nclat, or this Court taking time to decide an application beyond the period of 270 days, the time taken in

legal proceedings to decide the matter cannot possibly be excluded, as otherwise a good resolution plan may have to be shelved, resulting in corporate death, and the consequent displacement of employees and workers."

(emphasis supplied)

68. The minutes of 20th CoC meeting clearly recognizes the effective date of implementation of the resolution plan is the date when the funds were deposited, *i.e.*, 22.12.2022, and therefore, considering NCLT approval date being the date to commence liability would amount to interference with the wisdom of the CoC in the facts of this case because the plan accepted by the NCLT has expressly mentioned that the effective date would be the date of deposit. For ready reference, Agenda Item No. B-15, reads as below:-

"Dissolution of the Monitoring Committee pursuant to the completion of the implementation of the Resolution Plan.

The Monitoring Committee was informed that pursuant to resolution plan dated November 25, 2019 (as amended from time to time till January 13, 2020) submitted by Reliance Projects and Property Management Services Limited through its division Infrastructure Projects ("RPPMSL" and the plan is referred to as the "Resolution Plan") during the corporate insolvency resolution process of the Company, as duly approved by the committee of creditors of the Company and subsequently by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide order dated December 3, 2020 and all the steps of the implementation stated in the Resolution Plan of RPPMSL (including reconstitution of Board) have been completed on the Effective Date, i.e. December 22, 2022.

The distribution of the Total Resolution Amount (as defined under the Resolution Plan) to the relevant

stakeholders/creditors of the Company shall be carried out in terms of the Escrow Agreement dated December 22, 2022.

Accordingly, it is informed that all actions / correspondence in relation to any matters/affairs of the Company shall henceforth be undertaken by the reconstituted board of directors of the Company, and the Monitoring Committee shall be divested of its powers and responsibilities and shall cease to exist with effect from the Effective Date i.e. December 22, 2022 in accordance with the terms of the Resolution Plan, without the requirement of any further action or deed in this regard."

69. Considering above, we conclude that the liability arises from the effective date which is expressly mentioned in the resolution plan, which was approved by CoC in its commercial wisdom, approved by NCLT and upheld by Supreme Court. Recording in NCLT order that it is effective from the date of the order is to be read harmoniously as well as purposefully as the moment resolution plan is approved by the NCLT, everything written in the resolution plan becomes binding on all stakeholders. NCLT cannot intend to interfere in the provision made in the resolution plan as per established legal principle and, therefore, the NCLT order could have been read as the date per the resolution plan, if the amount was deposited as per clause 1.2.8 schedule and had not got delayed the implementation of the plan due to litigation.

70. In the peculiar facts and circumstances of this case where the implementation of resolution plan got over delayed due to the situation beyond the control of the petitioner, we consider it appropriate to apply the principle laid down by the Supreme Court

in ***Arcelor Mittal India Private Limited (supra),*** where the Supreme Court has excluded the time taken in the litigation, we hold that the date on which the petitioner could effectively implement the resolution plan after depositing complete resolution amount, the liability shall arise from that date. Otherwise, putting the uncertain, unexpected, unclaimed burden on the resolved entity will be against the principles on which the insolvency law is based.

(iv) Legality of Impugned Demands and Coercive Measures

71. The next issue which arises for consideration is the legality and sustainability of the impugned demands, recovery certificates, and consequential coercive actions taken by the respondent authorities because the petitioner has made prayer against the said actions primarily on the ground that the demands pertain to the electricity dues relating to the period prior to Effective Date of the resolution plan, and therefore stand extinguished in view of Section 31 of the IBC if the claim is not being filed during CIRP. It is further contended that once the resolution plan has attained finality, which binds all stakeholders, and hence no recovery proceedings in respect of pre-CIRP dues can be maintained, much less enforced by coercive measures.

72. On the contrary, the respondents seek to justify the impugned actions by contending that the electricity dues constitute statutory dues protected under the applicable Electricity Supply Code and that such dues form a first charge on the premises. It is further urged that electricity being an essential service, recovery of arrears cannot be ignored, and disconnection or reconnection are permissible only under the Electricity

Act, particularly where dues remain outstanding against the premises in question for any reason.

73. The controversy, therefore, lies in determining whether, in light of the approved resolution plan and the statutory scheme under the IBC, the respondents could lawfully raise and enforce demands relating to the duration prior to the effective date, and whether coercive measures such as disconnection of electricity supply and sealing of operational mobile tower sites can be justified in law.

74. The answer of this issue would first depend upon the interplay between the binding effect of the resolution plan under Section 31, the overriding effect under Section 238 of the Code, and the statutory powers claimed by the electricity distribution companies under the Electricity Act and the Supply Code, which has been discussed in point (i) where we have concluded that the IBC has overriding effect over Electricity Act and other related laws.

75. The second determinative factor would be as to whether respondents could raise the demand for the period prior to the effective date or when the complete resolution amount was not deposited and the plan was yet to be implemented. This issue has been analysed already above as point (ii) where we have concluded that the respondents who have not filed their claim during CIRP, cannot raise any demand as the claim has got extinguished such a right after the plan, resolution plan got approved by the NCLT and remained undisputed by such a department till the effective date. Considering facts of this case, where the plan is already

implemented, raising the demand subsequently would be against all settled legal principles of insolvency laws.

76. Since, it has been held that the claims in respect of the period prior to the approval of the resolution plan stand extinguished, the respondents are precluded from enforcing any such claims, and the liability of the petitioner cannot be fastened prior to the Effective Date as determined in accordance with the resolution plan in the facts of the case.

77. IBC operates within a time-bound and self-contained mechanism, where rights and obligations of stakeholders are required to be determined strictly in accordance with the approved resolution plan and its implementation structure. The binding nature of the resolution plan, once it attains finality under Section 31 of the Code, necessarily governs the rights of all stakeholders, including operational creditors and statutory authorities, subject to the contours of the plan itself. But the principle of exclusion of time taken in the litigation is not alien to the insolvency law but it is available to the petitioner and not to the respondents in the fact of the case.

78. Within the framework of the IBC, three distinct phases prior to final phase can be discerned in the facts of this case. The first pertains to pre-CIRP dues, which are required to be filed before the RP during the CIRP, failing this, or if not provided for in the approved resolution plan, such dues stand extinguished. The second phase covers the CIRP period itself, where regular operational cost gets presented as CIRP costs, and get placed before the CoC, and these costs are payable on timely basis or in terms of the approved plan, but this also extinguishes, if neither paid

during CIRP nor mentioned in the plan. The third phase commences from the date of approval of resolution plan when the monitoring committee takes over, which settles all operational and transitional costs till the effective date of the resolution plan. The final phase is when the corporate debtor emerges as a clean slate, notwithstanding continuity in its name or change of name.

79. In view of the above, dues arising in the first, second and third phases cannot be enforced after the resolution plan is implemented. It is only liabilities arising in the final phase that can be validly claimed, and the petitioner would be bound to comply with the provisions of the Electricity Act, 2003 and other applicable laws in respect of obligations accruing from the effective date onwards.

80. From perusal of resolution plan, it appears that the implementation of the resolution plan, including assumption of management and operational control, is not merely a formal consequence of approval but is intrinsically linked to the execution steps contemplated under the plan. The determination of the point at which liabilities crystallise must, therefore, be guided by the scheme of implementation as reflected in the resolution framework and the actual transition of control in terms thereof, especially when the delay in the implementation was due to pending considerations before one or another Courts.

81. Consequently, any action or demand raised by statutory authorities must necessarily be tested on the anvil of the finality accorded to the resolution process and the statutory mandate governing its binding effect. Coercive steps undertaken in deviation of the approved resolution

framework cannot be sustained if they are found to travel beyond the permissible scope of recovery as envisaged under the IBC framework.

82. Accordingly, the sustainability of the impugned actions and the liability, if any, attributable to the petitioner are required to be examined in the light of the settled legal position governing the sanctity of the resolution process and the statutory finality attached thereto under IBC and therefore impugned demand notices pertaining to the duration prior to CIRP, during CIRP, monitoring phase, and further upto the effective date of implementation cannot be sustained in law.

VII

Conclusion

83. In view of the discussions made hereinabove and upon consideration of the factual matrix, the submissions advanced by learned counsel for the parties, and the settled legal position governing the field, this Court is of the considered view that the impugned actions of the respondent authorities cannot be sustained in law as IBC has overriding effect.

84. The claims sought to be enforced pertain to the period pre- CIRP, during CIRP, monitoring phase and further upto the period till effective date for which no claim was filed by respondents. These claims are extinguished in terms of Section 31 of the IBC as well as express provisions made in the resolution plan and hence are not enforceable against the petitioner.

85. We are of the considered view that the resolution plan, having attained finality, is binding on all stakeholders, including statutory authorities, and operates on a clean slate principle as recognised in law.

The respondent authorities, therefore, could not have proceeded to raise or enforce demands which are extinguished, nor could they have resorted to coercive measures for recovery of such extinguished claims.

86. Prayers regarding disconnection/ reconnection of the electricity, are not considered in this order as the main point in this case has been the date from which the liability could be imposed upon the petitioner and once that is being determined as the “effective date” when the final amount was deposited as per resolution plan, consequential action may follow. And for this reason if there is any demand pre-effective date, then the same cannot be claimed being extinguished claim and if the demand is regarding post-effective date then the parties have got remedy under Electricity Act, except the fact that the dues or arrears on premises cannot be demanded any more as per Electricity Act dues for the reason of overriding effect of IBC.

87. In the light of the aforesaid, this Court is of the considered view that the impugned Recovery Certificates and Kruki proceedings, upto the extent of demand being made prior to the effective date 22.12.2022, cannot be sustained in law and are liable to be set aside.

VIII

Order

88. Thus, this writ petition succeeds and is **allowed.** Impugned demand notices and consequential recoveries and action are quashed. However, respondent authorities are at the liberty to issue fresh demand notice for any dues, which may have occurred after the effective date *i.e.*, 22.12.2022 in accordance with law.

89. No order as to costs.

(Swarupama Chaturvedi,J.) (Ajit Kumar,J.)

April 24, 2026
#Vikram/-