

**THE NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH (COURT-I), CHANDIGARH**



**IA (I.B.C)/1255(CH)2024  
in  
CP(IB) No. 147/Chd/Hry/2018  
(Admitted)**

**IN THE MATTER OF CP(IB) No. 147/Chd/Hry/2018:**

Mistcold Sales & Services Private Limited ..... Operational Creditor

Vs.

M/s. Nayati Healthcare and Research Private Limited ..... Corporate Debtor

**Under Section 60(5), of the Insolvency and  
Bankruptcy Code, 2016**

**IN THE MATTER OF IA NO. 1255/2024:**

**M/s. Nephrocare Health Services Private Limited**  
.....Applicant

Vs.

**Mr. Vikram Bajaj**  
Resolution Professional of  
M/s. Nayati Healthcare and Research Private Limited  
.....Respondent No. 1

**Mr. Kailash Gambhir**  
Arbitrator in the matter of :  
Nephrocare Health Services Private Limited v.  
Nayati Healthcare and Research Private Limited  
.....Respondent No. 2

**Order delivered on: 18.11.2025**

**Coram: HON'BLE SH. KHETRABASI BISWAL, MEMBER (JUDICIAL)**

**HON'BLE SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)**



**Present:**

**For the Applicant** : Mr. Amar Pratap Singh, Advocate  
Mr. Niren Sharma, Advocate

**For the Respondent No. 1** : Mr. Abhishek Anand, Advocate  
Mr. Karan Kohli, Advocate  
Mr. Akshit Awasthi, Advocate

**Per: SH. KHETRABASI BISWAL, MEMBER (JUDICIAL)**

**SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)**

**ORDER**

The present Interlocutory Application has been filed by **M/s Nephrocare Health Services Private Limited** (hereinafter referred to as the “Applicant”) under **Section 60(5) of the Insolvency and Bankruptcy Code, 2016**, seeking directions against **Mr. Arvind Mittal**, the Interim Resolution Professional of **M/s Nayati Healthcare and Research Private Limited** (“Corporate Debtor”), for rejection of the illegal and arbitrary refusal of the Resolution Professional to admit the legitimate claims of the Applicant arising out of the *Master Medical Services Agreement* dated 24.08.2018. The Applicant has further sought directions for release of its medical assets and equipment wrongfully retained by the Corporate Debtor and for continuation of the arbitration proceedings before the learned Sole Arbitrator, Hon’ble Mr. Justice Kailash Gambhir (Retd.), for quantification of its dues, contending that the outstanding amounts and termination penalty claimed by it squarely fall within the ambit of “operational debt” under Section 5(21) of the Code.

**SUBMISSIONS OF THE APPLICANT**

- 2) The Applicant has submitted as under:
  - i. The Applicant and the Corporate Debtor had entered into a *Master Medical Services Agreement* dated 24.08.2018, whereby the Applicant was engaged to



operate, manage, and run kidney care centers in the hospital premises of the Corporate Debtor at Agra, Mathura, and Delhi, and to provide dialysis and related medical services on a revenue-sharing basis.

- ii. Pursuant to the said Agreement, the Applicant had commenced operations and rendered dialysis services continuously and regularly. The Corporate Debtor collected payments from the patients and was obligated to share the revenue after reconciliation of accounts in accordance with the agreed terms. The Applicant issued monthly invoices/payout sheets which were never disputed by the Corporate Debtor at any stage prior to the termination of the Agreement.
- iii. It is further submitted that, to the Applicant's shock and dismay, the Corporate Debtor through its legal representatives issued a *Termination Notice* dated 08.08.2019, alleging negligence in the death of a patient. The Applicant immediately responded vide email dated 09.08.2019, denying all allegations and requesting an in-person meeting to resolve the issue amicably. However, on 17.08.2019, the Corporate Debtor again issued a second termination notice reiterating its decision to terminate the Agreement and directing the Applicant's staff not to enter the hospital premises.
- iv. The Applicant, through its counsel, replied to the second termination notice on 20.08.2019, contending that the termination was illegal and contrary to the terms of the Agreement, as the entire twelve-year term constituted a *lock-in period* during which neither party could terminate except in accordance with the conditions specified. The Applicant asserted that such unlawful termination would render the Corporate Debtor liable to pay *termination penalty* under Clause 12.5 of the Agreement.



- v. Despite repeated requests, the Corporate Debtor not only failed to pay the outstanding amounts towards revenue share but also unlawfully retained possession of dialysis machines, RO plants, cardiac monitors, and other medical assets belonging to the Applicant. The Corporate Debtor allegedly continued using these assets for its own commercial benefit, in violation of Clause 12.3 of the Agreement, which entitled the Applicant to retain ownership and remove such movable assets upon termination.
- vi. The Applicant was constrained to issue a *Demand Notice* dated 20.08.2019 under Section 8 of the IBC for recovery of an operational debt of ₹1,11,70,167/-, comprising ₹1,10,28,371/- as principal and interest at 18% per annum. The Corporate Debtor, in response, issued an evasive and vague reply dated 28.08.2019, failing to demonstrate the existence of any genuine pre-existing dispute.
- vii. Thereafter, the Applicant initiated arbitration proceedings in accordance with the dispute resolution clause of the Agreement. Pursuant to the order of the Hon'ble Delhi High Court dated 11.09.2019, Hon'ble Mr. Justice Kailash Gambhir (Retd.) was appointed as the sole arbitrator and the Corporate Debtor was directed to maintain status quo regarding ownership and possession of the dialysis machines and equipment. Arbitration proceedings were initiated and continued until the Corporate Debtor was admitted into Corporate Insolvency Resolution Process on 22.12.2023, whereupon the proceedings were adjourned *sine die* due to the moratorium under Section 14 of the IBC.
- viii. The Applicant filed its claim in Form B on 05.01.2024 before Respondent No. 1 for an aggregate sum of ₹28,99,49,305/-, comprising (i) ₹1,10,28,371/- towards unpaid revenue share, (ii) ₹22,89,20,934/- towards termination penalty, and (iii)



₹5,00,00,000/- towards damages for loss of goodwill and reputation. However, the Resolution Professional rejected the claims, stating that they did not qualify as “operational debt” under Section 5(21) of the Code.

- ix. The Applicant re-submitted its claim on 26.02.2024 with all supporting documents, but the same was again rejected by the Resolution Professional vide email dated 01.03.2024 on identical grounds. The Applicant contends that both the Outstanding Amount and the Termination Penalty clearly arise from provision of medical services and therefore fall within the ambit of operational debt as defined under the Code.
- x. It is lastly submitted that the Applicant has alleged arbitrary and inconsistent conduct on the part of the Resolution Professional, pointing out that while its claims were rejected through email, the summary of operational creditors uploaded on the IBBI portal shows partial acceptance of the same.

### **SUBMISSIONS OF THE RESPONDENT No. 1**

- 3) The Respondent No.1 – Resolution Professional has submitted as under:
  - i. It is submitted by the Respondent that the present Interlocutory Application filed by *M/s Nephrocare Health Services Private Limited* is misconceived, devoid of merit, and not maintainable either in law or on facts. The Applicant is attempting to seek directions which are beyond the scope of Section 60(5) of the Insolvency and Bankruptcy Code, 2016, and which effectively challenge the commercial wisdom of the Resolution Professional in collating and verifying claims during the Corporate Insolvency Resolution Process (CIRP).
  - ii. *M/s Nayati Healthcare and Research Private Limited* (“Corporate Debtor”) was admitted into CIRP by order dated 22.12.2023 passed by this Adjudicating



Authority, and Mr. Vikram Bajaj was appointed as the Interim Resolution Professional, who was later confirmed as the Resolution Professional (“RP”). In compliance with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, a public announcement was issued inviting claims from all creditors. The Applicant submitted its claim in Form B on 05.01.2024 for a total amount of ₹28,99,49,305/-, comprising alleged operational dues, termination penalty, and damages.

- iii. The Respondent submits that upon detailed verification of the claim and supporting documents, it was found that the Applicant’s claims did not qualify as “operational debt” under Section 5(21) of the Code, since they primarily arose from contractual termination and alleged damages rather than from the provision of goods or services to the Corporate Debtor. The RP, therefore, categorized the same as “disputed claims under arbitration” and communicated this to the Applicant via emails dated 06.01.2024 and 09.01.2024.
- iv. Despite being informed of the reasons for partial non-admission, the Applicant resubmitted its claim on 26.02.2024 without providing any additional documentary evidence to establish that the alleged termination penalty or goodwill damages were operational in nature. Accordingly, the RP, after due consideration, rejected the resubmitted claim vide email dated 01.03.2024, observing that such claims should have been filed under *Form F* in the category of “Other Creditors” under Regulation 9A of the CIRP Regulations, on a provisional basis subject to adjudication of the pending arbitration.
- v. The RP has acted strictly in accordance with the provisions of the Code and the CIRP Regulations. The Applicant’s reliance on the Master Medical Services Agreement and the pending arbitration proceedings cannot override the statutory



framework governing verification and categorization of claims during CIRP. The RP is neither an adjudicating authority nor empowered to determine the contractual disputes or quantify damages arising therefrom, particularly when such disputes are sub judice before an arbitral tribunal.

- vi. It is further submitted that the reliefs sought by the Applicant particularly the prayer for continuation of arbitration proceedings and release of alleged assets are contrary to the moratorium under Section 14 of the Code. Once the Corporate Debtor is admitted into CIRP, all proceedings including arbitration stand stayed, and the assets of the Corporate Debtor, whether owned or in its possession, fall within the control of the RP for the purpose of preserving the value of the Corporate Debtor.
- vii. The Respondent also submits that the Applicant's reliance on alleged WhatsApp messages, invoices, and termination notices does not alter the nature of the claim. The claim for termination penalty and goodwill loss cannot be treated as "operational debt", as these are contingent, uncrystallized, and not arising from provision of goods or services. The same has been consistently held in judicial precedents under the Code.
- viii. The RP has at no stage acted arbitrarily or with mala fide intent. The entire process of claim collation, verification, and categorization has been carried out transparently and in conformity with the IBC framework. The Applicant, instead of following the prescribed mechanism of filing claim under Form F, has wrongly invoked the jurisdiction of this Tribunal under Section 60(5) of the Code to seek adjudication of a contractual dispute, which is impermissible. The present application is therefore liable to be dismissed as misconceived and premature.



4) The Applicant has filed the rejoinder in response to the reply filed by the Respondent No.1- Resolution Professional wherein it is submitted as under:

- i. The Respondent has attempted to misrepresent material facts to evade liability. The Applicant contends that the acts and omissions of the Resolution Professional, including the non-admission of claims and non-participation in arbitration proceedings, are arbitrary, contrary to the settled principles of insolvency law, and violative of the Insolvency and Bankruptcy Code, 2016.
- ii. The Applicant's claims were rejected in complete disregard of the judgment of the Hon'ble Supreme Court in ***Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta & Ors., (2020) 8 SCC 531***, wherein it was held that even disputed claims may be admitted at a notional value. The Applicant points out that its claims were not even admitted at a notional value of ₹1, and thus, the reliance placed by the Respondent on the said judgment is misplaced, as the factual context of *Essar Steel* was materially different, where a resolution plan had already been approved.
- iii. It is submitted that the Respondent cannot take shelter under Section 14 of the Code to justify non-participation in the arbitration proceedings pending before the learned Sole Arbitrator, Hon'ble Mr. Justice Kailash Gambhir (Retd.). The Applicant submits that the moratorium under Section 14 does not prohibit continuation of such proceedings, as the same would not endanger or diminish the assets of the Corporate Debtor. Reliance is placed upon the judgment of the Hon'ble Delhi High Court in ***SSMP Industries Ltd. v. Perkan Food Processors Pvt. Ltd., 2019 SCC OnLine Del 9339***, and the judgment of the Hon'ble NCLAT in ***Jharkhand Bijli Vitran Nigam Ltd. v. IVRCL Ltd. & Anr., Company Appeal***



- (AT) (Insolvency) No. 285 of 2018**, wherein it was held that claims and counterclaims should be adjudicated comprehensively by the same forum.
- iv. The termination penalty claimed by the Applicant under Clause 12.5 of the *Master Medical Services Agreement* dated 24.08.2018 is a contractual liability and constitutes an “operational debt” within the meaning of Section 5(21) of the Code. The Applicant relies on the judgment of the Hon’ble NCLT, Mumbai in ***Alliance Spaces Pvt. Ltd. v. Maharashtra Bio Fertilizers (India) Pvt. Ltd., 2024 SCC OnLine NCLT 1826***, wherein the Adjudicating Authority held that license fees or contractual amounts for the unexpired lock-in period cannot be treated as damages but as operational dues. Similar reliance is placed upon the decision of the Hon’ble NCLAT in ***Smartworks Coworking Spaces Pvt. Ltd. v. Turbot HQ India Pvt. Ltd., 2023 (5) TMI 979***, holding that claims arising out of breach of contract during the lock-in period qualify as operational debt.
- v. The Applicant’s claim fulfills both limbs of the definition of “operational debt” — first, it falls within the definition of “claim” under Section 3(6) of the Code as it arises from breach of contract; and second, it arises in respect of the provision of services under Section 5(21). The Applicant contends that it was a service provider to the Corporate Debtor for establishing and operating kidney care and dialysis centers and was not a joint venture partner, as wrongly alleged by the Respondent. The agreement was executed on a *principal-to-principal* basis, and the contention of any joint venture relationship is wholly misconceived.
- vi. The unilateral termination of the Agreement by the Corporate Debtor during the lock-in period was arbitrary and in violation of Clauses 12.3 and 12.5 of the Agreement, which entitled the Applicant to remove its movable assets and to claim termination penalty. The Corporate Debtor’s act of restraining the Applicant



and its staff from entering the hospital premises and unlawfully retaining dialysis machines and other medical equipment caused significant loss to the Applicant and amounted to unjust enrichment by the Corporate Debtor.

- vii. It is also submitted that the contention of the Respondent that the Applicant's claim is merely a right to sue is legally untenable. The Applicant emphasizes that the claim for termination penalty and unpaid operational dues are crystallized under the contract itself and not contingent in nature. Further, Rule 14 of the IBBI (CIRP for Corporate Persons) Regulations, 2016 mandates that where a claim is not precise due to any contingency, the Resolution Professional is required to make a best estimate based on available information which has not been done in the present case.
- viii. The Respondent's objection that the Applicant has treated this Tribunal as a debt recovery forum is misplaced. The Applicant asserts that the application has been filed under the statutory framework of the Code for recognition and admission of operational debt, and not for recovery purposes. Lastly submitted that the pendency of arbitration proceedings does not preclude the Resolution Professional from participating therein. The Applicant has prayed that Respondent No. 1 be directed to participate before the learned Arbitrator to ensure a comprehensive adjudication of all disputes between the parties.

### **SWS OF THE RESPONDENT**

- 5) The Respondent No.1 – Resolution Professional has also filed Short Written Submissions (SWS) submitted as under:
- i. The Applicant's claim, being contingent and subject to adjudication in pending arbitration proceedings, could not have been admitted by the Resolution Professional at any value beyond a notional figure. The Respondent relies on the



ratio laid down by the Hon'ble Supreme Court in *Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta*, (2020) 8 SCC 531, wherein it was held that a Resolution Professional is empowered to admit contingent or disputed claims at a notional value of Re. 1 in order to preserve the "clean slate doctrine". The said principle ensures finality and prevents revival of uncrystallized or undecided claims post-resolution.

- ii. The Hon'ble Supreme Court in ***Fourth Dimension Solutions Ltd. v. Ricoh India Ltd.***, Civil Appeal No. 5908 of 2021, decided on 21.01.2022, recognized that where the claim of an operational creditor is pending adjudication before an arbitral tribunal, such creditor may continue with the arbitration proceedings even after approval of the resolution plan, but until the claim attains final adjudication, the Resolution Professional cannot determine or admit such amounts as operational debt. The said judgment clarifies that the RP's role is confined to verification and collation, and not to adjudicate on merits of a claim.
- iii. The Respondent has emphasized the settled principle that the Resolution Professional does not exercise adjudicatory jurisdiction. Reliance is placed upon the decision of the Hon'ble NCLAT in ***S. Rajendran, Resolution Professional of PRC International Hotels Pvt. Ltd. v. Jonathan Muralidarane***, 2019 SCC OnLine NCLAT 758, wherein it was categorically held that the RP has no power to decide or determine the quantum or validity of a claim and may only collate such claims based on records and available evidence. Any grievance arising from rejection or partial admission must be adjudicated by a competent forum and not by the RP.



- iv. It is further submitted that the claim of ₹22.89 crore sought as termination penalty by the Applicant does not constitute a “debt” under the Code, as there exists neither a decree nor an arbitral award crystallizing the alleged liability. Reliance is placed upon the decision of the NCLT, Hyderabad Bench, in ***Tamil Nadu Generation and Distribution Corporation Ltd. v. Savan Godiawala, Liquidator – Lanco Infratech Ltd., 2020 SCC OnLine NCLT 7674***, wherein it was observed that a claim for unliquidated damages cannot be treated as a debt unless adjudicated upon by a civil court or arbitral tribunal. Until such determination, the claim remains a mere “right to sue”.
- v. The Applicant’s demand for acceptance of the entire claim, including termination penalty and damages, is contrary to the settled law that only crystallized and admitted liabilities can be considered during CIRP. The Resolution Professional, therefore, rightly refrained from admitting the same, as doing so would have been inconsistent with the principle of equitable treatment of similarly situated creditors and contrary to the Code’s objective of resolution based on verified debts.
- vi. The Respondent reiterates that the duties of a Resolution Professional are administrative in nature and limited to management of the Corporate Debtor as a going concern, convening meetings of the Committee of Creditors, and collating claims based on available records. Reliance is placed on ***Essar Steel India Ltd.*** (supra) wherein the Hon’ble Apex Court summarized the RP’s role as non-adjudicatory, emphasizing that all decisions on resolution, feasibility, and distribution rest with the Committee of Creditors. Therefore, the present application seeking directions against the RP to adjudicate disputed contractual issues is misconceived and beyond the jurisdiction of this Tribunal under Section 60(5) of the Code.



## SWS OF THE APPLICANT

- 6) The Applicant's Short Written Submissions (SWS) are submitted as under:
- i. It is submitted that the continuation of arbitration proceedings is not barred under Section 14 of the Code. The moratorium imposed upon admission of the Corporate Debtor into CIRP only restrains actions that may result in execution or enforcement against the assets of the Corporate Debtor. It does not preclude adjudication of claims for quantification or determination purposes. The Applicant relies upon the judgment of the Hon'ble Delhi High Court in ***SSMP Industries Ltd. v. Perkan Food Processors Pvt. Ltd., 2019 SCC OnLine Del 9339***, wherein it was held that the counterclaims against the corporate debtor could proceed, as adjudication itself does not endanger the assets of the corporate debtor. Similarly, the Hon'ble NCLAT in ***Jharkhand Bijli Vitran Nigam Ltd. v. IVRCL Ltd., 2018 (8) TMI 1869***, held that arbitration proceedings for determining mutual claims may continue even during CIRP.
  - ii. It is further submitted that allowing the arbitration to continue for the limited purpose of crystallizing and quantifying the Applicant's claims does not conflict with the objectives of the Code. The Applicant asserts that the Resolution Professional cannot simultaneously decline to admit the claim on the ground of pendency of arbitration and also prevent continuation of such arbitration under the garb of moratorium. Such an approach deprives the Applicant of any forum for adjudication and effectively renders it remediless, which is contrary to the principles of natural justice and the legislative intent of the Code.
  - iii. The Applicant's movable assets cannot form part of the assets of the Corporate Debtor under Section 18(1)(f) of the Code, as the said provision expressly



excludes assets owned by third parties under a contractual arrangement. The dialysis machines, RO plants, and other medical equipment belong to the Applicant and were only installed at the Corporate Debtor's premises for operational convenience under the *Master Medical Services Agreement*. The Applicant relies on ***Bharti Airtel Ltd. v. Vijaykumar V. Iyer, 2019 (6) TMI 1332 (NCLT Mumbai)***, and ***Weather Makers Pvt. Ltd. v. Parabolic Drugs Ltd., CA 206/2019 in CP 1028/CHD/2018***, wherein it was held that assets owned by third parties but in possession of the corporate debtor cannot be treated as assets of the corporate debtor for the purpose of CIRP. Accordingly, the Applicant prays for directions to the Resolution Professional to release its assets forthwith.

- iv. The Respondent's marking of the Applicant's claim as "Nil" in the CIRP records is arbitrary and contrary to law. The Applicant relies upon the decision of the Hon'ble Supreme Court in ***Fourth Dimension Solutions Ltd. v. Ricoh India Ltd., Civil Appeal No. 5908 of 2021***, wherein it was held that pendency of arbitration proceedings does not extinguish the rights of a party to pursue its claim. The Apex Court directed that such claims must be decided in arbitration on their own merits, making it clear that the same cannot be treated as "Nil" merely because they are under dispute.
- v. The Applicant's request for continuation of arbitration proceedings is limited to the quantification of claim and not for recovery or enforcement against the Corporate Debtor. The quantified claim can thereafter be considered by the Resolution Professional during CIRP or reflected in the resolution plan, consistent with the scheme of the Code.



## **ANALYSIS & FINDINGS**

7) We have carefully considered the rival contentions of the parties, perused the pleadings on record, and examined the documents and judgments relied upon by both sides. The issues that arise for consideration are: (i) **whether the claim filed by the Applicant (including termination penalty and damages) qualifies as an “operational debt” under Section 5(21) of the Insolvency and Bankruptcy Code, 2016 (“the Code”)**; (ii) **whether the Resolution Professional erred in rejecting such claim during the Corporate Insolvency Resolution Process (“CIRP”)**; and (iii) **whether this Adjudicating Authority can direct continuation of pending arbitration proceedings during the subsistence of moratorium under Section 14 of the Code.**

8) At the outset, it is not in dispute that the Corporate Debtor, *M/s Nayati Healthcare and Research Private Limited*, was admitted into CIRP on 22.12.2023 and that the moratorium under Section 14 of the Code continues to operate. The Applicant’s claim arises from the *Master Medical Services Agreement* dated 24.08.2018, which was terminated by the Corporate Debtor prior to the insolvency commencement date. The claim is composite, comprising (a) unpaid revenue share of ₹1.10 crore, (b) termination penalty of ₹22.89 crore, and (c) damages of ₹5 crore for loss of goodwill and reputation. It is an admitted position that arbitration proceedings were initiated between the parties and presently stand adjourned *sine die* in view of the moratorium.

9) The primary grievance of the Applicant is that the Resolution Professional failed to admit its claims, which according to the Applicant constitute “operational debt”. However, it is a settled proposition of law that the function of a Resolution Professional is administrative and not adjudicatory. He is empowered to verify and collate claims based on records of the Corporate Debtor and other available evidence but cannot decide disputed questions of fact or law or quantify unadjudicated damages. The



Hon'ble Supreme Court in ***Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta [(2020) 8 SCC 531]*** has categorically held that disputed or contingent claims may only be admitted at a notional value so as to maintain the sanctity of the resolution process and the “clean-slate doctrine”.

10) In the present case, the RP has admitted the claim of Rs 1.10 crores relating to ‘revenue share’ under the category of ‘other creditors’ out of the total claim of Rs 28.99 crore. This is in accordance with the terms of the ‘Master Medical Services Agreement’ between the applicant and the CD. Out of the remaining claim, a sum of Rs 22.89 crore relates to termination penalty and ₹5 crore to damages, which are admittedly unadjudicated, arise from alleged breach of contract, and are presently sub judice before an arbitral tribunal. Such uncrystallised and disputed amounts have correctly been not admitted by the RP. In any case, it is seen that even against the Rs 1.10 crores admitted, nothing has been provided in the plan in accordance with the waterfall mechanism and admitting the remaining claim would also not have led to any amount being provided in the plan. The Hon'ble NCLAT in ***S. Rajendran, Resolution Professional of PRC International Hotels Pvt. Ltd. v. Jonathan Muralidarane [2019 SCC OnLine NCLAT 758]*** held that the Resolution Professional has no jurisdiction to determine the validity or quantum of a disputed claim and can only collate claims for consideration of the Committee of Creditors. We find that the Resolution Professional, in the instant case, has acted within his statutory mandate in rejecting such unverified and unadjudicated claims.

11) The Applicant has placed reliance on ***Fourth Dimension Solutions Ltd. v. Ricoh India Ltd. [Civil Appeal No. 5908 of 2021]*** to contend that arbitration proceedings may continue despite CIRP. The said decision, however, does not assist the Applicant, as the Hon'ble Supreme Court therein recognised that pending arbitration



proceedings can continue for adjudication of rights but did not direct the Resolution Professional or the Adjudicating Authority to reopen or admit such claims during CIRP.

In the present case, since the moratorium under Section 14 is operative, the arbitration proceedings cannot be allowed to continue, as any determination therein would result in creation of additional liabilities against the Corporate Debtor, thereby defeating the object of Section 14. The moratorium is intended to maintain status quo and preserve the value of the Corporate Debtor's assets until completion of the resolution process.

12) As regards the Applicant's prayer for release of dialysis machines and other medical equipment, we note that the question of ownership is disputed and presently forms part of the arbitral proceedings. Any determination of ownership at this stage would necessarily involve adjudication of contractual rights under the *Master Medical Services Agreement*, which this Tribunal cannot undertake within the limited scope of Section 60(5) of the Code.

13) In light of the above discussion, we hold that the Resolution Professional has neither exceeded his authority nor acted arbitrarily in partly declining to admit the Applicant's claim. The reliefs sought, including directions to continue arbitration proceedings and release of assets, are beyond the jurisdiction of this Adjudicating Authority at this stage. The Applicant is at liberty to pursue its remedies before the arbitral tribunal or any other competent forum upon cessation of moratorium.

14) **Accordingly, I.A. No. 1255 of 2024 stands dismissed and disposed off. No order as to costs.**

Sd/-  
**(SHISHIR AGARWAL)**  
**MEMBER (T)**

November 18, 2025

Japneet

Sd/-  
**(KHETRABASI BISWAL)**  
**MEMBER (J)**