



2026:DHC:1812



\$~6

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of Decision: 24.02.2026

+ ARB.P. 567/2025

HEMANT NANDAPetitioner

Through: Mr. A.K. Thakur, Mr. Rishi
Raj, Mr. Sujeet Kumar and Mr.
Ningthem Oinam, Advocates.

versus

TRANZLEASE HOLDINGS INDIA PRIVATE LTD

.....Respondent

Through: Mr. Narendra Singh, Advocate.

**CORAM:
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN
SHANKAR**

JUDGEMENT (ORAL)

1. The present Petition has been filed under Section 11 of the **Arbitration and Conciliation Act, 1996¹**, seeking the following reliefs:

- “a) Allow the present Application and appoint an independent and impartial/ Arbitrator to decide the disputes and differences between the parties.
- b) Refer the present arbitration to the Sole Arbitrator Mr. A.K. Rajaraman, Advocate appointed by the Hon 'ble Madras High Court *vide* order dated 10.12.2024 in the matter connected to subject transaction between the Applicant and Mercedes Benz in order to avoid multiplicity of proceedings.
- c) Pass such other and further order or direction, as may be deemed fit and proper.”

¹ The Act



2026:DHC:1812



2. A perusal of the aforesaid prayers clearly reveals that Prayer (a) and Prayer (b) are in complete contradiction with each other. While Prayer (a) seeks the appointment of a Sole Arbitrator by this Court, Prayer (b) seeks reference of the disputes to a Sole Arbitrator already appointed by the learned Madras High Court *vide* order dated 10.12.2024, in O.S.A. (CAD) No. 52 of 2023, in separate proceedings stated to be connected to the present matter.

3. Be that as it may, the prayer for appointment of an Arbitrator, as pressed by learned counsel for the Petitioner, is seriously opposed by learned counsel for the Respondent. It is submitted that, at the time of filing the present Petition, the Petitioner was fully aware that the Respondent-Company was undergoing the **Corporate Insolvency Resolution Process**² and that an **Interim Resolution Professional/Resolution Professional**³ had already been appointed. Learned counsel for the Respondent further contends that this position is evident from the Memo of Parties in the present Petition itself.

4. It is further contended by the learned counsel for the Respondent that the Petitioner, having consciously elected not to submit its claim in the insolvency proceedings, cannot now seek appointment of an Arbitrator in respect of alleged claims against the Respondent-Company. This is particularly so when the Resolution Plan of the Respondent-Company already stands approved by the order dated 30.01.2026 passed by **National Company Law Tribunal**⁴, Mumbai. Upon such approval, all claims required to be filed stood adjudicated and, if not forming part of the Resolution Plan,

² CIRP

³ IRP/RP

⁴ NCLT



stood extinguished.

5. This Court has heard learned counsel for the parties at length and, with their able assistance, carefully perused the material placed on record.

6. Upon consideration of the matter, this Court is of the view that the prayers sought in the present Petition are legally untenable. It is an admitted position that the Petitioner chose not to avail the statutory remedy available under the **Insolvency and Bankruptcy Code, 2016**⁵, by submitting its claim before the IRP/RP appointed by the NCLT, Mumbai. Instead, the Petitioner filed the present Petition seeking the appointment of an Arbitrator.

7. It is apposite to emphasise upon the “*clean slate*” principle embedded in the IBC. The underlying object of the IBC is to ensure revival of the corporate debtor as a going concern by affording the Successful Resolution Applicant a fresh start, unencumbered by past liabilities, claims, or obligations arising prior to the commencement of the CIRP. Once a Resolution Plan is approved by the Adjudicating Authority/ NCLT under Section 31 of the IBC, all claims not expressly provided for therein stand extinguished by operation of law.

8. Consequently, the Successful Resolution Applicant cannot be burdened with liabilities arising from antecedent agreements, transactions, or conduct of the erstwhile corporate debtor. To hold otherwise would defeat the very purpose of the insolvency resolution framework, deter prospective resolution applicants, and undermine the legislative intent of ensuring finality, certainty, and commercial revival.

⁵ IBC



2026:DHC:1812



9. A three-Judge Bench of the Hon'ble Supreme Court, in *Ghanashyam Mishra & Sons (P) Ltd. v. Edelweiss Asset Reconstruction Co. Ltd.*⁶, encapsulated this principle in clear and unequivocal terms as follows:

“93. As discussed hereinabove, one of the principal objects of the I&B Code is providing for revival of the corporate debtor and to make it a going concern. The I&B Code is a 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 on-going 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 sub-section (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 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 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.

Conclusion

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

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

⁶ (2021) 9 SCC 657



2026:DHC:1812



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.

102.2. The 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 the I&B Code has come into effect.

102.3. 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)

10. In light of the aforesaid legal position, this Court is of the considered view that the relief sought in the present Petition seeking appointment of an Arbitrator can not be granted. The claims sought to be agitated, not having been lodged in the CIRP and not forming part of the approved Resolution Plan, cannot be permitted to survive after the conclusion of the insolvency process.

11. Accordingly, the present Petition stands dismissed.

12. The present Petition, along with pending Application(s), if any, stands disposed of.

HARISH VAIDYANATHAN SHANKAR, J.
FEBRUARY 24, 2026/nd/her/dj