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

+ O.M.P.(I) (COMM.) 233/2025 with I.A. 14869/2025 and I.A. 17182/2025

ACB MINING PRIVATE LIMITED

.....Petitioner

Through: Mr. Sumit Goel, Ms. Sonal Chauhan,
Ms. Pratyusha Priyadarshani & Mr.
Aditya Sharma, Ms. Riya Kumar
Advocates.

versus

STEEL AUTHORITY OF INDIA LIMITED
& ANR.

.....Respondents

Through: Mr. Tushar Mehta, SG with Mr.
Chetan Sharma, ASG & Ms. Pankhuri
Srivastava, Mr. Aman Mehta, Mr.
Amit Gupta & Mr. Alekshendra
Sharma, Advocates for R-1.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

ORDER

31.07.2025

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1. The present petition has been filed under Section 9 of the Arbitration and Conciliation Act, 1996 (hereinafter 'the Act'), seeking the following reliefs:

"a. Restrain the Respondent No. 1 from the terminating the Mining Services Agreement dated 25.09.2017 pursuant to the termination notice Ref No. CGM(RGT)/2025/283 dated 28.05.2025 issued by the Respondent No.1 to the Petitioner and also restrain the Respondent No. 1 from terminating the Master Service Agreement dated 25.09.2017 in any manner; and

(a1) Stay/suspend the effect, operation and implementation of the termination letter dated 28.06.2025 bearing Ref No. CGM(Rgt.)/2025/270 issued by the Respondent No. 1 to the Petitioner terminating the Mining Services Agreement with effect from 28.06.2025.



b. *Restrain the Respondent No. 1 from proceeding ahead with tender notice no. PCC/TK/5(853)/2025-26/05 dated 03.06.2025 issued by the Respondent No.1 inviting fresh bids for selection of new Mine Developer cum Operator for development and operation of 14 MTPA Rowghat mining Project and also restrain the Respondent No. 1 from retendering the said project/work in any manner; and*

c. *Restrain the Respondent No.1 from invoking and encashing the Bank Guarantee No. OBG101001700023 dated 8.11.2017 as amended on 7.11.2022 for a sum of 24,50,00,000 and Bank Guarantee No. OBG 1 01 001700024 dated 8.11.201 7 as amended on 7.11.2022 for a sum of Rs. 24,50,00,000 and also direct the Respondent No. 2 Bank not to encash the said Bank Guarantees in favour of Respondent No. 1;*

d. *Direct the Respondent No.1 to adhere to the timelines agreed in the Minutes of Meeting held between the Petitioner and Respondent No.1 on 21.02.2025 as further enumerated in the communication dated 05.05.2025 sent by the Petitioner to the Respondent No. 1;”*

2. *Vide order dated 25th June, 2024, this Court had noted the undertaking of respondent no.1, not to encash the two bank guarantees, for the sum of ₹24.50 Crores and ₹25.50 Crores, respectively. The said undertaking continues till date.*

3. *On 23rd July, 2025, the submission of the petitioner was noted that the petitioner has already appointed Hon’ble Mr. Justice Kurian Joseph, Former Judge, Supreme Court of India, as its nominee arbitrator and the respondent no.1 was directed to initiate steps for appointing its nominee arbitrator.*

4. *Mr. Tushar Mehta, Solicitor General of India and Mr. Chetan Sharma, Additional Solicitor General of India, on instructions, submit that the respondent no.1 has already taken steps for appointing its nominee arbitrator. It is stated that consent has been taken from Hon’ble Mr. Justice Ravindra Bhat, Former Judge, Supreme Court of India, to act as their nominee arbitrator.*

5. *In view of the above, this Court is of the view that the reliefs sought*



by the petitioner in the present petition can be pressed before the Arbitral Tribunal by way of an application under Section 17 of the Act.

6. Counsel for the petitioner seeks urgent interim relief as respondent no.1 has terminated the Mining Service Agreement dated 25th September 2017 with the petitioner and has issued a notification to retender the same project.

7. In view of the urgency expressed, the nominee arbitrators of the petitioner and respondent no.1 are requested to expeditiously appoint the presiding Arbitrator, preferably within one (1) week from today, so that the urgent interim reliefs sought by the petitioner can be decided in an expeditious manner.

8. In terms of Clause 30.2 of the Mining Service Agreement dated 25th September 2017, the arbitration is to be governed by the Delhi International Arbitration Centre (hereinafter 'DIAC').

9. The Statement of Claim ('SOC') along with a Section 17 application shall be filed before the DIAC within two (2) weeks.

10. As soon as the SOC, along with the application under Section 17 of the Act, is filed, the petitioner shall approach the Arbitral tribunal and seek a date of hearing in respect of the relief sought in the Section 17 application.

11. Mr. Mehta submits that bank guarantees shall not be invoked by the respondent, till the Arbitral Tribunal takes a view on the Section 17 application.

11.1. The aforesaid statement is taken on record.

12. The petitioner shall keep the bank guarantees alive till appropriate orders are passed by the Arbitral Tribunal.

13. In view of the above, the present petition, along with pending



applications, stands disposed of.

14. Needless to state that this Court has not expressed any view in respect of the termination of the contract.

15. All the rights and contentions of the parties in relation to claims/counterclaims are kept open to be decided by the arbitral tribunal on their merits in accordance with law.

AMIT BANSAL, J

JULY 31, 2025

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