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

+ **ARB.P. 1582/2025**

M/S RECFLY OVERSEAS

....Petitioner

Through: Mr. Sumit Goyal, Mr. Vaibhav
Kumar, Mr. Ankit Bhardwaj, Mr. Amit Goyal, Ms.
Prateeksha, Ms. Sweksha, Advs.

versus

M/S ARPAN OVERSEAS & ANR.

.....Respondents

Through: Ms. Indira Goswami, Ms. Shraddha
Rawat, Advs.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

19.11.2025

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1. This is a petition under Section 11(5) and 11(6) of the Arbitration and Conciliation Act, 1996 for appointment of arbitrator.
2. The dispute arises out of a High Seas Sales Agreement dated 09.09.2024 in which respondent No. 1 had agreed to supply 113.54 MT of Birch Pulp against 100% advance payment.
3. When the consignment arrived in India, the respondent No. 1 insisted on converting the transaction into a local sale because of which the consideration amount exceeded the earlier arrangement and as per the petitioner, the petitioner was forced to pay more money to the respondent No. 1. Thereafter, the respondent No. 1 issued 4 invoices dated 16.10.2024 covering only 90 MT thereby short-supplying 23.54 MT of goods and retaining an excess payment of ₹7,51,913/- along with accrued interest.
4. The said Invoices of respondent No. 1 contain an arbitration clause referring disputes to Paper Merchants Association, Delhi (Regd.) which read as under:



“Declaration

In case of any dispute including dispute of non-payment to this bill, the same shall be referred to "The Paper Merchants Association

(Regd.) Delhi" for sole Arbitration and the judgements given by the arbitrator/ arbitrators appointed by the executive committee shall be final and binding on both the parties.”

5. Hence the petitioner invoked arbitration *vide* legal notice dated 22.04.2025 and thereafter filed the present petition.

6. The petitioner approached the Paper Merchants Association (Regd.), Delhi for referring of disputes but, Mr. Goyal, learned counsel for the petitioner, states that said Association refused to entertain the disputes as the petitioner is not a member of the association.

7. I am of the view that the petitioner cannot be forced to become a member of the association. Additionally the parties have agreed to settle their disputes through the arbitral mechanism.

8. Ms. Goswami, learned counsel for the respondents, has no objection to the petition being allowed as long as all her rights, contentions including right to file counter-claims are left open.

9. I am satisfied that there is a valid arbitration clause and there are disputes between the parties which need to be resolved through the arbitral mechanism.

10. For the said reasons, the petition is allowed and the following directions are issued:-

- i) Ms. Harshita Nathrani, Advocate (Mob. No. 9799150333) is appointed as a Sole Arbitrator to adjudicate the disputes between



the parties.

- ii) The arbitration will be held under the aegis and rules of the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi (hereinafter, referred to as the 'DIAC').
 - iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators' Fees) Rules, 2018.
 - iv) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
 - v) It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claim, any other preliminary objection, as well as claims/counter-claims and merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.
 - vi) The parties shall approach the learned Arbitrator within two weeks from today.
11. The present petition is disposed of in the aforesaid terms.

NOVEMBER 19, 2025/AS

JASMEET SINGH, J