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

+ **W.P.(C) 14948/2025, CM APPL.61517/2025, CM APPL.61516/2025**

DELHI AGROCOOL PVT LTD & ORS.

.....Petitioners

Through: **Mr. Deepak K. Vijay and Ms. Neeraj
Sharma, Advs.**

versus

SMALL FARMERS AGRI BUSINESS CONSORTIUM & ANR.

.....Respondents

Through:

CORAM:

HON'BLE MR. JUSTICE SACHIN DATTA

ORDER

25.09.2025

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1. The present petition has been filed by the petitioners being aggrieved by the arbitration proceedings sought to be initiated by the respondent no. 1 against them.
2. It is the case of the petitioners that the said arbitration proceedings are precluded on account of the fact that the petitioners paid a sum of Rs.53.63 Lakhs as full and final settlement to respondent no. 1, as recorded in the order dated 30.05.2022 passed by the learned Metropolitan Magistrate, South District, Saket. The said order, *inter-alia*, records as under:

“.....Further, Ld. Counsel for accused had moved an application u/s 147 N.I. Act seeking liberty of the court to compound the captioned complaint. Further, Ld. Counsel submits that from first hearing itself, the accused has expressed willingness to settle the matter and that today they are ready to pay the entire cheque amount i.e. Rs. 53.63 lacs. Further, Ld. Counsel submits that the accused is ready with three DDs namely D.D. No.100754 dated 10.05.2022 for an amount of Rs.2 lacs drawn on PNB, Janakpuri Branch, New Delhi, second D.D. No.100704 dated 04.04.2022 for an amount of Rs.5 lacs drawn on PNB, Janakpuri Branch, New Delhi and third D.D. No.100774 dated 25.05.2022 for an amount of Rs.46.63 lacs drawn on PNB, Janakpuri Branch, New Delhi.



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In view of the aforesaid submissions and discussion, court is of the considered opinion that since the primary object of the Act is not punitive but to compensate the complainant over and above the cheque amount and considering that the public by large was immensely effected by Covid-19 which hampered the business growth of all the stake holders, no fruitful purpose would be served by keeping this complaint alive when the accused is ready to pay the cheque amount.

Ld. Counsel for complainant has duly accepted the payment and confirmed receiving of the cheque amount. Statement of Ld. counsel for complainant has been recorded to this effect. Accordingly, Accused persons stand discharged. Bail bond/surety bond, if any stands discharged. Documents, if any be returned as per rules. Therefore, the present complaint stands disposed off as compounded.

File be consigned Record Room."

3. It is submitted that despite the fact that no dispute survives between the parties in the aftermath of the aforesaid order, respondent no. 1 has issued a notice under Section 21 of the Arbitration and Conciliation Act, 1996 ('A&C Act') dated 16.05.2025, pursuant to which further steps were taken by the Indian Council of Arbitration ('ICA').
4. A communication dated 03.09.2025 was addressed by respondent no. 2, the Registrar, ICA to petitioner no. 1 and petitioner no. 2, whereby, the petitioners were directed to comply with the following directions:
 - a. File Defence Statement along with Counter Claim, if so required, in three sets as per Rule 18 and 19 of the ICA Rules of Arbitration.
 - b. Deposit **Rs. 2,01,232/-** (inclusive of IGST @ 18%) towards Respondents' share of arbitration costs and expenses as per Rule 28 of the ICA Rules of Arbitration (Invoice no. ICA-P-0186 dated 26.08.2025 enclosed).
5. Being aggrieved by the aforesaid, the present petition has been filed by the petitioners, seeking to urge that the initiation of arbitration amounts to an abuse of the due process of law.
6. It is noticed that the A&C Act contains adequate provisions to enable



the petitioners to appropriately agitate their aforesaid grievance/s viz., that the initiation of arbitration is precluded on account of a full and final settlement and/or the same is belated/time-barred.

7. Needless to say, the petitioners are at liberty to exercise this option by taking recourse to Section 16 of the A&C Act and/or any other applicable statutory provision/s.

8. Taking note of the fact that the petitioners are at liberty to avail appropriate remedies as contemplated under the A&C Act, this Court is not inclined to interfere or pass any pre-emptory directions with regard to the arbitration proceedings, in these proceedings under Article 226 of the Constitution of India.

9. In the circumstances, the present petition is dismissed, with liberty to the petitioner to avail appropriate remedies as contemplated under the A&C Act.

10. It is made clear that this order shall not be construed as an expression of opinion of this Court as regards the merits of the petitioners contentions.

11. Pending applications also stand disposed of.

SACHIN DATTA, J

SEPTEMBER 25, 2025/r