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

+ **ARB.P. 689/2026**

**ALCOB TRANSMISSIONS PVT. LTD. THROUGH ITS
AUTHORIZE REPRESENTATIVE SH. LALIT KUMAR HARJAI**

.....Petitioner

Through: Mr. Ravikant Chandhok, Mr. Vasdev
Lalwani and Mr. Tushar Sahni,
Advocates
Mob: 98112213677
Email: cnalegal70@gmail.com

versus

AMBEY FERROUS PVT. LTD. & ORS.

.....Respondents

Through: None.

CORAM:

HON'BLE MS. JUSTICE MINI PUSHKARNA

ORDER

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29.05.2026

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 ("Arbitration Act"), for appointment of a sole Arbitrator, for adjudication of disputes between the parties, arising out of the Purchase Order dated 15th June, 2024 ("PO").
2. None appears for the respondents, despite service.
3. This Court notes that *vide* order dated 07th May, 2026, this Court had clarified that, in case, respondents do not put in appearance, or file their replies, the Court shall proceed with the matter.
4. Accordingly, this Court proceeds with the matter.
5. As per the facts on record, the petitioner herein was approached by



the respondents, for supply of aluminium wire rods and subsequently, raised a PO.

6. In pursuance to the PO, the petitioner had agreed to supply 17,850 Kgs of aluminium wire rod to respondent no. 1 for a total value of Rs. 50,76,183/- (Rupees Fifty Lakhs Seventy-Six Thousand One Hundred Eighty-Three Only).

7. Further, as per the PO, the parties had agreed that payment towards the goods supplied by the petitioner was to be made by the respondent no. 1 company within twenty days, from the date of receipt of material, failing which the respondent no. 1 company shall be liable to pay interest at 24% per annum.

8. It is the case of the petitioner, that despite receipt of the material, the respondents failed to make payment of the amount due as per the invoice raised by the petitioner, within twenty days from the date of supply of goods.

9. Subsequently, after much persuasion, the respondent no. 1 issued a cheque dated 14th December, 2024, bearing no. 000106 for a sum of Rs. 50,00,000/- (Rupees Fifty Lakhs Only) towards part-payment of goods supplied by the petitioner.

10. However, the issued cheque was returned without payment by the banker of the respondent no. 1, vide their Cheque Return Memo dated 18th December, 2024 with the remarks '*Payment Stopped By Drawer*'.

11. Consequently, constrained by the continued default by the respondents in repaying the amounts due, the petitioner herein filed a suit for recovery of money bearing CS (COMM) 302/2025, titled as *Alcob Transmission Pvt. Ltd. Versus Ambey Ferrous Pvt. Ltd.*, before the



Commercial Courts, South-West District, Dwarka Courts, New Delhi.

12. However, the respondent no. 1 herein filed an application under Section 8 of the Arbitration Act before the said Court, to return the suit filed by the petitioner herein, as the PO contained an Arbitration Clause. Thus, *vide* order dated 03rd January, 2026, in *CS (COMM) 302/2025*, the suit filed by the petitioner herein was dismissed.

13. Subsequently, the petitioner issued a notice to the respondent dated 20th February, 2026, for invoking the Arbitration Clause. However, *vide* its reply dated 20th March, 2026, the respondent no. 1 stated that, in the absence of a mutual agreement between the parties regarding the appointment of an arbitrator, the appropriate course of action would be to approach this Court for appointment of an arbitrator. Thus, the present petition has been filed.

14. At this stage, the learned counsel appearing for the petitioner has drawn the attention of this Court to the bottom portion of the PO, which contains the Arbitration Clause at *Serial no. 9*, under the head ‘Terms and Conditions’, and the same reads as:

“xxx xxx xxx

9 Any dispute is subject to as per Arbitration & Conciliation Act 1996 the Arbitrator will be appointed by Delhi High Court Delhi and same will be held at De

xxx xxx xxx”

15. Perusal of the aforesaid Arbitration Clause clearly shows that there is a valid Arbitration Clause between the parties, wherein, the parties have agreed that the disputes between them shall be resolved by way of an arbitration, and in accordance with the provisions of the Arbitration Act. Further, it is provided that any dispute between the parties is subject to Arbitration Act, and the Arbitrator shall be appointed by the Delhi High Court.



16. This Court notes that the petitioner herein had earlier filed a suit for recovery before the Commercial Courts, South-West District, Dwarka Courts, New Delhi, wherein *vide* order dated 3rd January, 2026, the said Court had dismissed the suit in the following terms:

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Brief Facts

2. The plaintiff has filed the present suit seeking recovery of Rs 50,76,183/- from the defendant on account of unpaid amount for the aluminum wire rods supplied to the defendant by the plaintiff.
3. Defendants have filed the present application stating that, upon a perusal of the purchase orders issued by the defendant company and relied upon by plaintiff itself, it is clear that the same contains a specific arbitration clause i.e. *"Any dispute is subject to as per Arbitration & Conciliation Act 1996, the Arbitrator will be appointed by Delhi High Court Delhi and the same will be held at Delhi"*.
4. It is stated that in view of such agreed clause, this Hon'ble Court does not have jurisdiction to try and entertain the present suit as the jurisdiction of this Hon'ble Court is barred under the provisions of the Arbitration and Conciliation Act. It is further stated that the averments of the plaintiff are also contradictory as in the invoice it is been mentioned that *'All disputes are subject to Alwar jurisdiction only'*. Thus, it is prayed by the defendants to reject/return the plaint to the plaintiff as the Court has no jurisdiction to try the present suit.

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Discussion and Analysis

10. There is no dispute to the fact that the purchase orders relied upon by the plaintiff stipulates an Arbitration Clause wherein it is mentioned that *"Any dispute is subject to as per Arbitration & Conciliation Act 1996, the Arbitrator will be appointed by Delhi High Court Delhi and the same will be held at Delhi"* but the question to be answered is whether the non-payment of price of goods can be said to be dispute 'under', 'in connection with', or even 'with regard to the contract'.

11. The plaintiff has based his claim on the allegation that goods were supplied to the defendants and despite repeated assurances the defendants did not make the payment of the goods purchased by them from the plaintiff. Facts indicate

that the defendants even issued a cheque towards part payment of purchased goods.

12. Provisions of Section 8 reads as under:

"8. Power to refer parties to arbitration where there is an arbitration agreement.—1 [(1) A judicial authority, before which an action is brought in a matter which is the subject of an arbitration agreement shall, if a party to the arbitration agreement or any person claiming through or under him, so applies not later than the date of submitting his first statement on the substance of the dispute, then, notwithstanding any judgment, decree or order of the Supreme Court or any court, refer the parties to arbitration unless it finds that prima facie no valid arbitration agreement exists.]"

13. Perusal of the above provision of law reveals that on an action being brought in a matter which is the subject matter of arbitration agreement, if a party to the arbitration agreement applies not later than the date of submitting his first statement on the substance of the dispute, a judicial authority is mandatorily required to refer the parties to arbitration unless the Court finds that prima-facie no valid arbitration agreement exists.

14. The provision does not mandate that in the application under Section 8 of the Act, the defendant is required to dispute the contents of the plaint. In the present case, the defendant has not put forth his defense rather in the application has merely prayed that the matter to be referred to arbitration for adjudicating the claim of the plaintiff. In

fact, no such defense is required to be made while making an application to invoke the jurisdiction of Arbitrator.



“xxx xxx xxx

19. In the present case, there exists an Arbitration Clause between the parties. Hence, under the provisions of Section 8 of the Arbitration and Conciliation Act, 1996 present suit cannot be proceed any further. The application of the defendant stands allowed. The plaintiff may seek resolution of the dispute in accordance with the provisions of Arbitration & Conciliation Act, 1996.

xxx xxx xxx”

17. Perusal of the aforesaid order passed by the District Court, clearly shows that it is the respondents themselves who raised objection that the suit for recovery filed by the petitioner herein was not maintainable as the dispute was covered by an Arbitration Clause contained in the PO.

18. Thus, in view of the existence of a valid Arbitration Agreement between the parties, as well as the disputes that have arisen between them, this Court is of the considered opinion that there is no impediment in appointment of an Arbitrator.

19. This Court notes the submission made by learned counsel appearing for the petitioner that the petitioner has claim of approximately Rs. 50,76,183/- (Rupees Fifty Lakh Seventy-Six Thousand One Hundred Eighty-Three Only), as the Principal amount. Further, the petitioner is also claiming interest on the said amount.

20. Accordingly, considering the submissions made before this Court, following directions are issued:



- I. Mr. R.K. Yadav, Advocate, (Mobile No.: +91-9818836222) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
- II. The remuneration of the Arbitrator shall be in terms of Schedule IV of the Arbitration Act.
- III. The Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference. In the event there is any impediment to the Arbitrator's appointment on that count, the parties are given liberty to file an appropriate application before this Court.
- IV. The parties shall approach the Arbitrator within two (2) weeks from today.
- V. It is made clear that all the rights and contentions of the parties, including, the arbitrability of any of the claims and/or counter-claims, any other preliminary objection, as well as claims on merits of the dispute of either of the parties, are left open for adjudication by the learned Arbitrator.
21. The petition is disposed of in the aforesaid terms.
22. The Registry is directed to send a copy of this order to learned Arbitrator, for information and compliance.

MINI PUSHKARNA, J

MAY 29, 2026/SK