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

+ ARB. A. (COMM.) 42/2026, I.A. 14050/2026 (Seeking permission to file lengthy list of dates & synopsis) & I.A. 14051/2026 (Ex.)

SUSHANT SHARMA

.....Petitioner

Through: Mr. Shashank Garg, Senior Advocate along with Mr. Sameer Dawar, Mr. Anshul Mittal, Mr. Vishwam Mishra, Mr. Rishabh Tomar and Ms. Divyansha Agrawal, Advocates.

versus

GUNJAN SHARMA & ANR.

.....Respondents

Through: Ms. Beenashaw N. Soni, Ms. Mansi Jain, Ms. Ann Joseph and Ms. Katyani Malhotra, Advocates for Respondent No.

CORAM:

HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

ORDER

19.05.2026

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1. The present Appeal, under Section 37(2)(b) of the Arbitration and Conciliation Act, 1996, assails the Interim Order dated 10.03.2026 [**“Impugned Order”**].

2. Mr. Shashank Garg, learned Senior Counsel appearing on behalf of the Petitioner, submits that the present Petition has been occasioned on account of the fact that Respondent No. 2, *namely* the concerned bank, where the accounts of the partnership firm are maintained, is not honoring the cheques issued by the Petitioner towards payments which are necessitated as demands towards



discharge of tax liabilities.

3. He submits that in terms of the Impugned Order passed by the learned Sole Arbitrator, particularly interim directions contained in Clauses 3 and 4 of the Impugned Order thereof, there is, in fact, no requirement for the Petitioner to seek the consent of the Respondent No. 1 for effectuating such payments. Clauses 3 and 4 of the Impugned Order reads as follows:

“(III) All the essential operational expenses of the Partnership including:

- a) salary of registered employees (employees on the roll of Partnership firm),
- b) one driver of each of the Partner,
- c) Payment of EMIs of vehicles- Honda City Car, Mahindra XUV Car, Mahindra Scorpio Car and Mahindra XEV 900 Car;
- d) the Payment of Taxes and
- e) Payment of utility Bills only shall be allowed to be made from the bank Account of the Partnership firm.

(IV) The bank accounts of the partnership firm shall not be operated except for above-stated business expenses, and any withdrawal apart from the above, from the Bank Account shall require joint authorization of both partners or prior permission of the Tribunal.”

4. He further submits that there is no requirement of joint authorisation by both partners in respect of any of the items enumerated in Clause 3 of the Impugned Order.

5. It is further contended that, in view of the directions contained in Clause 4 of the Impugned Order, the aforesaid payments can be made even without obtaining prior permission of the learned Tribunal.

6. **Per Contra**, Ms. Beenashaw N. Soni, learned counsel appearing on behalf of the Respondent No. 1, submits that what has to be kept in mind is the history and the spirit of the present proceedings, as also the orders that have come to be passed on various occasions. She further submits that the learned Single Judge had specifically



interdicted the unilateral operation of the bank accounts by either of the parties.

7. She further submits that the said directions passed by this Court were continued by the learned Arbitrator on at least three occasions. She therefore submits that the only plausible interpretation of the interim directions is that any operation of the bank accounts in respect of matters covered under Clause 3 of the Impugned Order would necessarily require joint authorisation of both partners and therefore, in the absence of any concurrence by the Respondent No. 1, the same cannot be permitted.

8. She further submits that any payment contemplated under Clause 3 of the Order can be effectuated either on the basis of the joint authorization of both parties or upon prior permission of the learned Tribunal.

9. This Court has heard learned counsel appearing for the parties and perused the material on record.

10. This Court is of the *prima facie* view that the interpretation sought to be canvassed by Respondent No. 1 may perhaps not be entirely correct. Further, this Court is also of the opinion that the directions contained in the interim order are fairly clear.

11. After arguing for some time, parties have submitted that they will be moving an appropriate Application before the learned Sole Arbitrator. Accordingly, this Court grants liberty to the parties to move an appropriate Application for seeking clarification in respect of Clauses 3 and 4 of the Order before the learned Sole Arbitrator as permissible under the law.

12. It is made clear that the views expressed herein shall not be construed as a final expression of the opinion of this Court on the



merits of the present matter and the learned Sole Arbitrator shall be at liberty to take an independent decision, without taking into account the observations made herein.

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

HARISH VAIDYANATHAN SHANKAR, J.
MAY 19, 2026/nd/va/m