



2026:DHC:3454



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

% **Date of Decision: 23^r April, 2026**

+ ARB.P. 741/2026 & I.A. 11245/2026

SARR FREIGHTS CORPORATIONPetitioner

Through: Mr. Balendu Shekhar, Mr. Rajkumar
Maurya, Mr. Krishna Chaitanya and
Mr. Divyansh Singh Dev, Advs.
M: 9999666769

versus

RITES LIMITEDRespondent

Through: Mr. Balendu Shekhar, Mr. Rajkumar
Maurya, Mr. Krishna Chaitanya and
Mr. Divyansh Singh Dev, Advs.
M: 9999666769

+ O.M.P.(I) (COMM.) 176/2026, I.A. 11246/2026 & I.A. 11247/2026

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CORAM:
HON'BLE MS. JUSTICE MINI PUSHKARNA

MINI PUSHKARNA, J. (Oral):

1. The present petitions have been filed seeking appointment of a Sole Arbitrator in view of the dispute having arisen between the parties and for interim relief in connection with Tender Documents and Letter of Acceptance/work order dated 02nd January, 2025.
2. While *ARB.P. 741/2026* is for appointment of an Arbitrator, *O.M.P.(I) (COMM.) 176/2026* is a petition under Section 9 of the Arbitration and Conciliation Act, 1996 (“Arbitration Act”), seeking interim relief during the pendency of the arbitration process.
3. It is submitted that disputes in the present case are contractual, live, subsisting and arbitrable. Thus, the present petitions have been filed.
4. Learned counsel appearing for the petitioner submits that there is a valid Arbitration Clause, i.e., Clause 12.5 in the General Conditions of Contract (“GCC”) which contemplates reference of disputes and differences arising out of/or in connections with the agreement between the parties to arbitration.
5. Learned counsel appearing for the petitioner further submits that the petitioner formally invoked the aforesaid Arbitration Agreement under Clause 12.5 of the GCC on 01st November, 2025, and proposed appointment of a Sole Arbitrator to adjudicate the disputes between the parties. However, the respondent failed to reply to this invocation notice or concur with the appointment, within the statutory period of thirty days, prompting the petitioner to file *ARB.P. 741/2026* for seeking appointment of an Arbitrator.



6. Learned counsel appearing for the petitioner further submits that the petitioner has now received a Show Cause Notice dated 09th April, 2026, wherein, the respondent seeks to take action against the petitioner in terms of the Clause for 'misdemeanors' in the GCC, i.e., Clause 14.3.

7. Learned counsel appearing for the petitioner submits that, since disputes have arisen between the parties now, it is imperative that an Arbitrator is appointed to resolve the same.

8. *Per contra*, learned counsel appearing for the respondent-Rites Limited submits that the petition, i.e., *ARB.P. 741/2026*, seeking appointment of an Arbitrator has been filed pre-maturely by the petitioner, since the stage for appointment of an Arbitrator has still not arisen.

9. He submits that the Clause in the GCC, i.e., Clause 12.3 pertaining to resolution of disputes between the parties provides for the process of adjudication, and thereafter, conciliation before the dispute can be referred to arbitration.

10. In response, learned counsel appearing for the petitioner submits that he has no objection to resort to the adjudication and conciliation process, in terms of the GCC between the parties, provided no further action is taken against the petitioner, till the said process is going on.

11. Having heard learned counsels appearing for the parties, following directions are issued:

i. The petitioner shall immediately write an E-mail, to the respondent, within three days, seeking invocation of the adjudicatory process.

ii. Upon receipt of the E-mail/communication from the petitioner, the respondent shall immediately appoint an Adjudicator, in terms of Clause 12.3 of the GCC between the parties.



- iii. In case the adjudication proceedings between the parties fail, then, in terms of Clause 12.4, the petitioner shall be at liberty to immediately seek for conciliation process.
 - iv. Upon receipt of such request, the respondent shall appoint a Conciliatory Authority, in terms of Clause 12.4 of the GCC between the parties.
 - v. The reply dated 17th April, 2026, to Show Cause Notice dated 09th April, 2026 filed by the petitioner, shall be duly considered by the Adjudicatory/Conciliatory Authority.
 - vi. The petitioner is also at liberty to file a supplementary reply/document within a period of two weeks, from today.
 - vii. The reply/submissions, as made by the petitioner, shall be duly considered by the Adjudicatory/Conciliatory Authority appointed by the respondent.
 - viii. A Speaking Order shall be passed by the Conciliatory/Adjudicatory Authority after hearing the petitioner, in consonance with the Principles of Natural Justice.
 - ix. In case, the adjudicatory/conciliatory proceedings fail, the petitioner shall be at liberty to initiate the arbitration process, in accordance with the GCC between the parties.
 - x. No coercive action shall be taken against the petitioner, till the adjudicatory/conciliatory process is pending before the respondent.
 - xi. In case, the petitioner is aggrieved by any order passed by the respondent pursuant to the conciliatory/adjudicatory process, the petitioner is at liberty to seek remedies, in accordance with law.
12. With the aforesaid directions, the present petitions, along with the



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pending applications, stand disposed of.

MINI PUSHKARNA, J

APRIL 23, 2026/KR