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

Date of Decision: 13.04.2026

+ O.M.P.(I) (COMM.) 71/2026 & I.A. 8888/2026

ASIA SHIPPING INTERNATIONAL TRANSPORT
PRIVATE LIMITED

.....Petitioner

Through: Mr. Samudra Sarangi, Ms.
Saloni Jain, Ms. Panchi
Agarwal and Ms. Navya Nanda,
Advocates.

versus

MR ABDUL SALAM KHAN

.....Respondent

Through: Mr. Brijesh Kumar Sharma and
Ms. Payal Gupta, Advocates.

CORAM:

**HON'BLE MR. JUSTICE HARISH VAIDYANATHAN
SHANKAR**

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JUDGEMENT (ORAL)

HARISH VAIDYANATHAN SHANKAR, J.

1. The present Petition has been filed under Section 9 of the **Arbitration and Conciliation Act, 1996¹**, seeking the following reliefs:-

- “(a) Direct the Respondent to deposit the Outstanding Liability of INR 2,82,20,063 (Indian Rupees Two Crore eighty two lakh twenty thousand and sixty three) which includes the principal amount of INR 2,13,18,344 (Indian Rupees Two Crore thirteen lakh eighteen thousand three hundred and forty four) along with the interest of INR 69,01,719 (Indian Rupees Sixteen Nine lakh one thousand seven hundred and nineteen) calculated at the rate of 24% p.a. till 2 February 2026, in an interest bearing deposit before this Hon'ble Court till the conclusion of arbitration proceedings between the parties;
- (b) In the alternate to prayer (a), direct the Respondent to furnish an unconditional bank guarantee for the sum of INR 2,82,20,063 (Indian Rupees Two Crore eighty two lakh

¹ Act



twenty thousand and sixty three) in favour of the Petitioner, which can be encashed upon appropriate directions from this Hon'ble Court;

- (c) Restrain the Respondent, his agents, servants, or anyone acting on his behalf from selling, transferring, alienating, disposing of, creating third-party rights, or encumbering any of his movable or immovable assets, bank accounts, and receivables, including but not limited to the business assets of Heritage Farms, till the final disposal of the arbitration proceedings;
- (d) Direct the Respondent to file a detailed affidavit disclosing all his assets his movable and immovable assets, including but not limited to his bank accounts, investments, and receivables;
- (e) Pass ex-parte ad-interim orders in reference to prayers (a) to (d) mentioned above;
- (f) Award costs of this petition to the Petitioner; and
- (g) Pass such other and further orders as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case.”

2. Though the learned counsel appearing on behalf of the Respondent submits that a Reply to the present Petition came to be filed on 11.04.2026, the same does not form a part of the record.

3. A physical copy of the same, which was served in advance to the Petitioner, has been handed over across the bar by the learned counsel for the Petitioner.

4. The same is confirmed to be the copy of the Reply as filed by the Respondent, and the Registry is directed to ensure that the same is taken on record.

5. Learned counsel appearing on behalf of the Respondent objects to the reliefs as sought for on the ground that the present proceedings are in the nature of recovery proceedings and the same are not permissible under Section 9 of the Act.



6. He further contends that there is no collateral security mortgaged with the Petitioner, and therefore, the reliefs in respect of the movable and immovable assets cannot be granted.

7. Per Contra, learned counsel for Petitioner submits that the proceedings under Section 9 of the Act are intended to ensure that the subject matter of the disputes as between the parties is protected.

8. She submits that the objections of the Respondent are misplaced and the reliefs as sought for are of such an emergent nature that they need to be granted in the present case. She submits that since the Respondent is in the business of perishable goods, and therefore, in the event that the reliefs as sought for are not granted i.e., protecting the amounts as sought for in the present Petition, the Respondent would take steps to dissipate the subject matter of the dispute.

9. This Court has heard learned counsel appearing on behalf of the parties and is of the opinion that under Section 9 of the Act, reliefs for the preservation and custody of the goods are clearly maintainable, and the objections of the learned counsel for the Respondent to the contrary are rejected.

10. However, learned counsel appearing on behalf of the parties are *ad idem* that the disputes as between the parties can be referred to arbitration in terms of the Arbitration Clause of the Credit Facilities Application dated 22.07.2024. The dispute resolution clause, being Clause 11, is reproduced hereunder:

“All Disputes and matters related hereof shall be subject to the exclusive jurisdiction of the courts at New Delhi only and any violations hereof by me/us shall be at our entire risk, loss and expense. Notwithstanding the same, in the event of dispute or difference of any kind whatsoever arising out of or in connection with this agreement, shall be referred to arbitration to be conducted in accordance with the provisions of the Arbitration and



Conciliation Act 1996. The arbitral tribunal shall consist of the sole arbitrator to be mutually decided by the Parties viz., yourselves and us. The award of arbitration shall be final and binding on the Parties. The arbitral proceedings shall be conducted in English language.”

11. This Court is of the view that there is no impediment to the Court in appointing a Sole Arbitrator in terms of the said clause for the purpose of adjudication of the disputes as between the parties. The parties herein jointly waive off their right to formally issue a legal notice under Section 21 of the Act as well as the statutory requirement of filing a Petition under Section 11 of the Act for the appointment of an Arbitrator.

12. Material on record indicates that the approximate value of the disputes as between the parties is Rs. 2.82 Crores.

13. In view of the foregoing, this Court is of the considered opinion that the matter be referred to arbitration by a Sole Arbitrator for the purpose of the resolution of disputes between the parties.

14. Accordingly, this Court hereby requests **Mr. P.V. Yogeswaran, Advocate (Mobile No. 9810622382)**, to enter upon the reference and adjudicate the disputes *inter se* the parties.

15. The learned Sole Arbitrator may proceed with the arbitration proceedings, subject to furnishing to the parties the requisite disclosures as required under Section 12(2) of the Act within a week of entering the reference.

16. All rights and contentions of the parties are kept open, to be decided by the learned Sole Arbitrator on their merits, in accordance with law.

17. Needless to state, nothing in this order shall be construed as an expression of opinion of this Court on the merits of the controversy.



18. The present Petition under Section 9 of the Act shall be treated as an Application under Section 17 of the Act, and appropriate directions may be passed by the learned Arbitrator after entering upon the reference.

19. This Court is of the view that though the interim reliefs as sought for in Prayers A, B and D need not be granted at this stage however, a limited relief in terms of Prayer C to the extent that in the event that the Respondent or his agents, servants or anyone acting on his behalf sell, transfer or alienate or create any third party rights in respect of any of the movable and immovable assets of the Respondent, then the amounts that are realised as a result of the said sale, transfer or alienation to the extent of Rs. 2,82,20,063/- would be deposited in the name of the learned Registrar General, Delhi High Court.

20. In terms of the Circular No. 326/C-11/Cash-II/DHC dated 10.04.2026, the said amount shall be deposited preferably through Online/NEFT/RTGS mode into the designated account of this Court, the particulars whereof are as follows:

Bank Name: UCO Bank
Account Name: DELHI HIGH COURT PDC
ACCOUNT
Account Number: 15530110030226
IFSC Code: UCBA0001553
SWIFT Code: UCBAINBB242

21. Upon making the deposit, the Respondent shall furnish the requisite details to the Registry, including the date of order, case number, cause title, UTR number, date of deposit, amount deposited, and particulars of the depositor, in compliance with the aforesaid circular. The amount so deposited shall be placed before the learned



Registrar of this Court and invested in a Fixed Deposit Receipt (FDR), to be kept in an auto-renewal mode.

22. The parties are at liberty to raise all objections, including with respect to the jurisdiction of the learned Arbitrator, before the learned Arbitral Tribunal.

23. The Registry is directed to send a receipt of this order to the learned Arbitrator through all permissible modes, including through e-mail.

24. The present Petition, along with pending Application(s), if any, stands disposed of in the aforesaid terms.

25. The date already fixed stands cancelled, i.e., 25.05.2026.

HARISH VAIDYANATHAN SHANKAR, J.
APRIL 13, 2026/nd/va