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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
CNR No. DLHC010250732026
+ O.M.P. (T) (COMM.) 62/2026 & I.A. 15874/2026
SUNSHINE ENGINEERS AND CONSULTANTS.....Petitioner
Through: Mr. Aditya Sharma, Adv.
versus
M/S VINNI CHEMICALS PVT. LTD.Respondent
Through: Mr. Sahil Gupta, Adv.

CORAM:
HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT(ORAL)

% **13.08.2026**

I.A. 21244/2026 (U.O. VI R. 16 r/w S. 151 CPC)

1. This application has been filed on behalf of the Respondent under Section 151 of the Code of Civil Procedure, 1908¹ read with Order VI Rule 16 CPC for expunging of scandalous, unsubstantiated and prejudicial remarks/averments made against the Respondent and its Counsel.

2. For the reasons stated in the application, the same is allowed and the observations made by the learned Sole Arbitrator is expunged from the letter dated 02.04.2026

3. The application stands disposed of.

O.M.P. (T) (COMM.) 62/2026

4. This petition is being preferred under Section 14 and 15 of the

¹ "CPC", hereinafter



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Arbitration and Conciliation Act, 1996² seeking termination of the mandate of the learned Sole Arbitrator and appointment of a substitute Sole Arbitrator to adjudicate the disputes between the parties arising out of the Definitive Supply Agreement dated 30.03.2023.

5. The parties had entered into the aforesaid agreement containing an arbitration clause. Pursuant thereto, *vide* order dated 19.02.2025 passed in ARB.P.1755/2024, this Court appointed Hon'ble Mr. Justice Ali Mohd Magrey, Former Chief Justice of High Court of J&K and Ladakh, as the Sole Arbitrator under the aegis of Delhi International Arbitration Centre³.

6. The arbitral proceedings thereafter commenced and had progressed to the stage of recording/cross-examination of the Petitioner's witness CW-1.

7. The Petitioner states that disputes between the parties include its claim for approximately Rs.3 crores towards outstanding dues. The Respondent, however, disputes the said liability and submits that no amount is due or payable to the Petitioner.

8. The Petitioner submits that the Respondent had reportedly sought adjournments and adopted dilatory tactics, thereafter raised allegations of bias against the learned Sole Arbitrator and sought his substitution. The Respondent, in its reply, disputes the said allegations and contends that the delay in the proceedings was attributable to the

² "the Act", hereinafter

³ "DIAC", hereinafter



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Petitioner.

9. The Respondent further alleges that the learned Arbitrator had repeatedly fixed dates without adequately consulting the Respondent and had proceeded in its absence, thereby causing prejudice and denying it a fair opportunity.

10. It is not necessary for this Court in the present proceedings to adjudicate upon the merits of the underlying monetary dispute or upon the respective claims and differences of the parties. The said issue shall remain open for adjudication by the Arbitral Tribunal.

11. It is an admitted position that the learned Sole Arbitrator *vide* communication dated 02.04.2026 recused himself from the arbitral proceedings. Consequently, the mandate of the learned Arbitrator stands terminated in terms of Section 24 of the Act necessitating the appointment of a substitute Arbitrator.

12. In view of the aforesaid circumstances, and since both parties are *ad idem* that, a substitute Sole Arbitrator is required to be appointed, this Court considers it appropriate to appoint a substitute Sole Arbitrator to continue the arbitral proceedings.

13. Accordingly, Mr. Justice Dilip Gupta, Former Senior Judge, Allahabad High Court (Mob. No. +91-9415215086) is appointed as a learned Sole Arbitrator to adjudicate the disputes arisen between the parties. The learned Sole Arbitrator shall enter upon the reference within two weeks from today.



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14. The learned Sole Arbitrator will proceed to the arbitration proceedings subject to furnishing requisite disclosures as required under Section 12(2) of the Act within two weeks of entering reference.

15. The arbitration shall be carried under the rules and aegis of DIAC. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

16. It shall be open to the parties to raise all pleas, including objection as to arbitrability and jurisdiction, before the learned Sole Arbitrator who shall decide the same in accordance with law.

17. The learned Sole Arbitrator shall continue the proceedings from the stage of which the earlier Arbitrator recused himself, *i.e.*, from the stage of cross-examination of CW-1, subject to such procedural direction as may be considered appropriate by the learned Sole Arbitrator.

18. It is clarified that the observations made herein are only for the purpose of deciding the present petition under Section 14 and 15 of the Act. The learned Sole Arbitrator shall adjudicate the disputes independently and on their own merits, uninfluenced by any observations contained in the present order.

19. The Registry is directed to send a receipt of this order to Mr. Justice Dilip Gupta, learned Arbitrator through all permissible modes including email.



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20. It is made clear that no party shall take any unnecessary adjournment before the learned Sole Arbitrator.

21. Accordingly, the present petition is disposed of in the above terms. Pending applications, if any, also stand disposed of.

OM PRAKASH SHUKLA, J.

AUGUST 13, 2026/gunn