



2026:DHC:5843



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% *Date of Decision: 22.07.2026*+ **W.P.(C) 9904/2026 & CM APPL. 46050/2026****CAMPARI EXPORTS PRIVATE LIMITED**Petitioner

Through: Mr. Samar Bansal, Senior
Advocate with Mr. Shrey
Patnaik, Ms. Saira Khan and
Mr. Kush Taneja, Advocates.

versus

**THE MICRO AND SMALL ENTERPRISES
FACILITATION COUNCIL & ORS.**Respondents

Through: Mr. Subrat Birla and Mr. Rohit
Shukla, Advocates for R-2.

CORAM:**HON'BLE DR. JUSTICE SWARANA KANTA SHARMA****JUDGMENT****DR. SWARANA KANTA SHARMA, J. (Oral)**

1. The present petition has been filed seeking invocation of jurisdiction under Articles 226 and 227 of the Constitution of India to quash and set aside the reference letter dated 18.06.2025 [hereafter '**impugned letter**'] issued by Respondent No 1, the Micro and Small Enterprises Facilitation Council [hereafter '**MSEFC**'], under Section 18(3) of the Micro, Small and Medium Enterprises Development Act, 2006 [hereafter '**MSMED Act**'], and all proceedings emanating therefrom, including pending arbitration proceedings in DIAC/11212/07-25 titled '*BPR Consulting LLP vs. Campari Exports*



Private Limited’.

2. The learned Senior Counsel appearing for the petitioner submits that the impugned letter has been issued without inherent jurisdiction, as respondent no. 2, the claimant before the MSEFC, is not registered as an enterprise under the MSMED Act. It is submitted that respondent no. 2, in order to invoke the jurisdiction of the MSEFC, has fraudulently relied upon the Udyam Registration of M/s ABOUTME360.COM, a sole proprietorship of Mr. Manish Gupta, which is an independent juristic entity having a separate PAN, GSTIN and legal identity. He submits that the petitioner has no privity of contract with M/s ABOUTME360.COM, and even according to respondent no. 2's own case, the underlying transaction was exclusively between the petitioner and respondent no. 2. All agreements were executed, obligations were performed, and invoices, including the disputed invoice dated 27.10.2023, were issued solely in the name of respondent no. 2 under its own letterhead and GSTIN. It is, therefore, contended that respondent no. 2, being an unregistered entity under the MSMED Act, could not have invoked the jurisdiction of the MSEFC.

3. It is further submitted that respondent no. 2 has misrepresented itself as a "unit" of M/s ABOUTME360.COM, which is impermissible in law and contrary to Notification S.O. 2119(E) dated 26.06.2020, which contemplates the statutory framework of "one PAN, one Udyam" and "one Udyam, one PAN". It is contended that two distinct legal entities having separate PANs and independent



legal identities cannot be covered under the same Udyam Registration. According to the petitioner, respondent no. 2, being ineligible to claim the benefits of the MSMED Act in the absence of an independent Udyam Registration, has adopted a colourable device by using the registration of M/s ABOUTME360.COM to invoke the jurisdiction of the MSEFC. It is, therefore, submitted that the reference itself is wholly without jurisdiction and contrary to the scheme of Section 18 of the MSMED Act, which does not permit reference of disputes at the instance of an entity that is not an "enterprise" within the meaning of the Act.

4. The learned Senior Counsel further submits that on 28.07.2024, the petitioner received an intimation from respondent no. 1 stating that a reference had been instituted by M/s ABOUTME360.COM through its sole proprietor, Mr. Manish Gupta, under the provisions of the MSMED Act. Another such communication was received by the petitioner on 30.11.2024. Thereafter, respondent no. 1/MSMEFC issued the impugned letter dated 18.06.2025 recording the termination of conciliation proceedings and referring the dispute for arbitration before the Delhi International Arbitration Centre (DIAC). Thereafter, on 01.08.2025, respondent no. 2 instituted arbitral proceedings before the DIAC claiming a sum of ₹54,20,820/- against the petitioner. It is submitted that the petitioner, on 23.06.2026, has already filed an application under Section 16 of the Arbitration and Conciliation Act, 1996 [hereafter 'A&C Act'] challenging the jurisdiction of the learned



Sole Arbitrator, as well as an application under Section 27 of the A&C Act on 27.06.2026. The petitioner has also submitted a detailed representation dated 29.06.2026 to the Secretary, Ministry of MSME, and respondent no. 1, pointing out the alleged discrepancies in the Udyam Registration relied upon by respondent no. 2 and seeking appropriate action. It is further submitted that by order dated 02.07.2026, the learned Sole Arbitrator directed that the petitioner's applications under Sections 16 and 27 of the A&C Act would be considered at the stage of final adjudication along with the main proceedings. In these circumstances, it is contended that since the very reference made by respondent no. 1 is without jurisdiction, the consequential arbitral proceedings pending before the learned Sole Arbitrator are also liable to be quashed.

5. The learned counsel appearing for respondent no. 2, on the other hand, submits that the petitioner has already submitted to the jurisdiction of the learned Sole Arbitrator by filing its Statement of Defence on 09.02.2026. It is submitted that the petitioner has, for nearly two years, been fully aware of the proceedings initiated by respondent no. 2, first before the MSEFC and thereafter before the learned Sole Arbitrator. It is contended that despite such knowledge, the petitioner did not challenge the jurisdiction either of the MSEFC or of the learned Sole Arbitrator at the relevant stage. Even the application under Section 16 of the A&C Act came to be filed only in June 2026, after substantial progress had been made in the arbitral proceedings. It is submitted that with the arbitral proceedings now



listed for final arguments, the present writ petition has been filed solely with a view to delay the adjudication of the dispute and is, therefore, liable to be dismissed. The learned counsel further disputes the petitioner's contention that respondent no. 2 is not entitled to invoke the provisions of the MSMED Act, and submits that respondent no. 2 shall establish before the learned Sole Arbitrator that it is entitled to invoke the jurisdiction under the MSMED Act.

6. This Court has **heard** arguments addressed on behalf of both the parties, and has gone through the records of the case.

7. Having heard the learned counsel for the parties and perused the material placed on record, this Court is of the opinion that it is not disputed that *vide* the impugned letter dated 18.06.2025, respondent no. 1 referred the dispute between the petitioner and respondent no. 2 for arbitration before the DIAC, pursuant to which the learned Sole Arbitrator entered upon the reference. It is also not disputed that the petitioner was aware of the issuance of the impugned letter. It is further not in dispute that the petitioner had knowledge of the proceedings before the MSEFC much prior to the issuance of the impugned letter, as the petition itself discloses that the petitioner had received communications from the MSEFC, *albeit* referring to M/s ABOUTME360.COM as the claimant.

8. Concededly, the arbitral proceedings have remained pending for almost one year. A perusal of the proceedings before the learned Sole Arbitrator reveals that although the petitioner, in its Statement of



Defence, had taken a preliminary objection that respondent no. 2 was not entitled to invoke the provisions of the MSMED Act, it had also filed its defence on merits and continued to participate in the arbitral proceedings. It is also not disputed that the application under Section 16 of the A&C Act challenging the jurisdiction of the learned Sole Arbitrator was filed only on 23.06.2026, almost a year after the reference was made, and more than four months after filing the statement of defence. The said application, under Section 16 of the A&C Act, which raises the same jurisdictional objections as urged before this Court, is presently pending consideration before the learned Sole Arbitrator. It is also an admitted position that the arbitral proceedings have reached the stage of final arguments.

9. In the aforesaid background, this Court is of the opinion that the scope of interference under Article 226 of the Constitution in an ongoing arbitral proceeding is extremely limited, particularly when the petitioner has already invoked the statutory remedy available under Section 16 of the A&C Act. It is well-settled that the arbitral tribunal is competent to rule upon its own jurisdiction, including objections relating to the maintainability of the reference, in exercise of the powers conferred under Section 16 of the A&C Act. In ***Gujarat State Civil Supplies Corpn. Ltd. v. Mahakali Foods (P) Ltd.***: (2023) 6 SCC 401, the Hon'ble Supreme Court held that the issue, as to whether the provisions of MSMED Act were invoked by a party who not a 'supplier' as per Section 2(n) of the said Act, being jurisdictional issue, if raised, could also be decided by the Facilitation



Council/Institute/Centre acting as an Arbitral Tribunal under the MSMED Act. This was taken note of by the Division Bench of this Court, in ***Corrtech International (P) Ltd. v. Delhi International Arbitration Center and Others***: 2024 SCC OnLine Del 7029, and in similar facts and circumstances, it was observed as under:

“15. It is also clear that under section 16 of the Act, the Arbitral Tribunal is empowered to consider issues of its own jurisdiction and other legal objections that the appellant possibly may have. The framework envisaged under the Act confers independent power upon the Tribunal to independently assess the merits of the claims and legal issues too. Thus, the grievances of the appellant can suitably be redressed within the provisions of the Act, which is a complete code in itself. To a specific query put by this Court on approaching the Arbitral Tribunal under section 16 of the Act, the learned senior counsel for the appellant submitted that once the application under section 16 is dismissed, no appeal is provided in the statute and the challenge to section 16 application being dismissed must await the passing of a final award to file an appeal under section 34 of the Act. It must be noted that section 16 of the Act mandates that the issue of jurisdiction must be dealt first by the Arbitral Tribunal, before the Court examines the same under section 34 of the Act. Therefore, the appellant is not left remediless as the statute provides him a chance of appeal. Under section 34 of the Act, the aggrieved party has an avenue for adjudicating its grievances against the award including any orders that might have been passed by the Arbitral Tribunal acting under section 16 of the Act. This Court is fortified in its view taken by the Supreme Court in *Deep Industries Ltd. v. Oil and Natural Gas Corporation Ltd.*, (2020) 15 SCC 706. The same is extracted hereunder:—

“22. One other feature of this case is of some importance. As stated hereinabove, on 9-5-2018, a Section 16 application had been dismissed by the learned arbitrator in which substantially the same contention which found favour with the High Court was taken up. The drill of Section 16 of the Act is that where a Section 16 application is dismissed, no appeal is provided and the



challenge to the Section 16 application being dismissed must await the passing of a final award at which stage it may be raised under Section 34.”

16. This Court also agrees with the liberty granted by the learned Single Judge to the appellant to raise all legal and other objections available to it without the Tribunal being influenced in any way with the observations made in the impugned order or by this Court in this order.”

10. In these circumstances, this Court is not inclined to interdict the arbitral proceedings at this stage. Since the petitioner has already invoked the jurisdiction of the learned Sole Arbitrator under Section 16 of the A&C Act by raising substantially the same objections as urged in the present petition, it would neither be appropriate nor warranted for this Court to examine those issues in exercise of its writ jurisdiction.

11. The learned Sole Arbitrator shall be at liberty to consider and decide the petitioner's objections in accordance with law, uninfluenced by any observations made in the present order.

12. With above observations, the petition is accordingly dismissed, alongwith pending application.

13. The judgment be uploaded on the website forthwith.

DR. SWARANA KANTA SHARMA, J

JULY 22, 2026/vc/zp

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