
In the Supreme Court Of India

Case No : Civil Appeal No. 10057 Of 2026 (@Special Leave Petition (Civil) No. 3250 of 2026)

M/s. Patel Infrastructure Limited

APPELLANT

Vs

M/s. Aditya Construction

RESPONDENT

Date of Decision : 05-08-2026

Acts Referred:

Micro, Small and Medium Enterprises Development Act, 2006
Arbitration and Conciliation Act, 1996

Hon'ble Judges : Sanjay Kumar, J; Sanjeev Sachdeva, J

Bench : Division Bench

Advocate : Taniya Bansal, Pradhuman Gohil, Jeet Patel, Taruna Singh Gohil, Hetvi Ketan Patel, Rushabh N. Kapadia, Pulkit Khanduja, Sanjay Bhasin, Sarvesh Kr Dubey, Ishita Bhasin, Anchal Mishra, Pankaj Srivastava, Divyanshu Mani Tripathi, V. Kandha Prabhu, Dhatri Singh, Y. Lokesh, Suchismita Bhuyan, P.V. Yogeswaran

Final Decision : Appeal disposed of

Judgement

SANJAY KUMAR, J

1. Leave granted.

2. An interesting question of law was sought to be raised by way of this appeal, that is, whether a buyer of goods or services from a micro or small enterprise (MSME), governed by the Micro, Small and Medium Enterprises Development Act, 2006, can seek to initiate arbitration proceedings in respect of its claim against such MSME by independently taking recourse to the Arbitration and Conciliation Act, 1996.

3. Effective arguments were advanced by Ms. Taniya Bansal, learned counsel for the appellant, and she placed reliance on case law in support of her weighty contentions. The decisions of the Delhi High Court in Uniseven Engineering and Infrastructure Pvt. Ltd. vs. Micro and Small Enterprises Facilitation (MSEF) Council, District (South), and another and of the Calcutta High Court in Essar Oil and Gas Exploration and Production Limited vs. Gargi Travels Private Limited were

placed before us.

4. While so, on instructions, Mr. Sanjay Bhaseen, learned senior counsel, appearing for the respondent MSME, stated that the respondent MSME is agreeable to the appointment of an arbitrator through the aegis of the Delhi International Arbitration Centre to resolve the inter se disputes between the parties through the process of arbitration governed by the provisions of the Arbitration and Conciliation Act, 1996. He would, however, submit that as the appellant has its registered office at Ahmedabad, Gujarat, and the respondent MSME, being a proprietorship, has its office at Basti in Uttar Pradesh, the venue of the arbitration may be fixed as New Delhi for the convenience of both parties.

5. Accepting the fair offer made by the learned senior counsel so as to give a quietus to the matter without further ado, the appeal is disposed of requesting the Delhi International Arbitration Centre to appoint a suitable arbitrator to undertake the resolution of the disputes between the appellant, M/s Patel Infrastructure Limited, and the respondent, M/s Aditya Construction under the provisions of the Arbitration and Conciliation Act, 2 1996. The venue of the arbitration shall be at New Delhi. The appellant shall approach the Delhi International Arbitration Centre within two weeks from the date of receipt of a certified copy of this order.

6. The question of law raised in this appeal is, however, left open to be considered in an appropriate case in future. The appeal is disposed of in the aforestated terms. Parties shall bear their own costs., J. SANJAY KUMAR, J. SANJEEV SACHDEVA August 5, 2026 New Delhi. 3