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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 420/2025**

Date of Decision: **09.04.2025**

IN THE MATTER OF:

M/S. SINGH FINLEASE PVT. LTD.Petitioner

Through: Mr.Shiv Shankar and Mr.Murari
Kumar, Advocates.

versus

M/S. CHAND CLOTH HOUSE & ORS.Respondents

Through: None.

HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

ORDER

PURUSHAINDRA KUMAR KAURAV, J. (ORAL)

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred as "A&C Act") by the petitioner, seeking appointment of a sole arbitrator, to adjudicate upon the disputes that have arisen between the parties in pursuance to the Loan Agreement dated 30.08.2019.

2. The petitioner has filed the affidavit of service, which reads as under:-

"AFFIDAVIT OF SERVICE

*I, Shiv Shankar, S/o. Late Sh. Arun Sharma, Aged about 35 years,
working as the counsel for the Petitioner and having office at:G-*



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27, First Floor, Jangpura Extension, New Delhi-110014, do hereby solemnly affirm and declare as under:-

1. That I am the counsel for the Petitioner in the present case and as such I am competent to swear this affidavit of service.

2. I say that I have personally sent the notice issued by this Hon'ble Court to the Respondents through speed post on 21.03.2025, which is duly served upon the respondents. Copy of the notice along with speed post receipt dated 21.03.2025 as well as tracking reports are annexed herewith as ANNEXURE-A-1 (Colly)

3. I say that I have personally sent the notice issued by this Hon'ble Court to the Respondents through email from legalvibes.lawfirm@gmail.com to suhanakhan095@gmail.com on 23.03.2025. A copy of the e-mail dated 23.03.2025 is annexed herewith as ANNEXURE-A-2.”

3. The tracking report further indicates that the item was delivered to the addressee, which was sent through speed post.

4. Since, there is no representation on behalf of the respondents; the Court is left with no option except to proceed *ex-parte*.

5. The facts of the case would indicate that, by way of Loan Agreement dated 30.08.2019, respondent no.1 (principal borrower) along with respondent nos.2 and 4 (co-borrowers) have availed a loan of Rs.7,55,672/-. As per the case set up by the petitioner, the respondents defaulted in repayment of the said loan. As per the petitioner, as on 29.01.2025, the outstanding amount was Rs.18,23,565/-. The petitioner then sent a notice dated 31.01.2025, referring to Clause 21 of the Loan Agreement.

6. Since no steps were taken by the respondents, therefore, the petitioner has filed the instant petition.

7. Clause 21 of the Loan Agreement reads as under:-

“21. All dispute, differences and/ or claim arising out of these presents



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including any dispute as to any amount outstanding, or in any way touching or as to the right and liabilities of the parties hereunder shall be settled by arbitration to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof and shall be referred to the arbitration of a sole arbitrator, to be nominated by SFPL only and borrower shall have no right to object the appointment of said Arbitrator. In the event of death, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, SFPL may appoint a new arbitrator. The award of the arbitrator shall be final and binding on all parties concerned. The arbitration shall be final and binding on all parties concerned. The arbitration proceedings shall be held at Delhi and the arbitration shall be conducted in English language.”

8. It is thus seen that the dispute is amenable to be adjudicated by the arbitrator. It is explicitly evident that where there exists an arbitration clause in the event any dispute arises between the parties, there is no impediment in appointing an independent Sole Arbitrator for adjudicating the same. Reference can be made to the decisions of the Supreme Court in *Perkins Eastman Architects DPC v. HSCC (India) Ltd.*,¹ *TRF Limited v. Energo Engineering Projects Ltd.*,² *Bharat Broadband Network Limited v. United Telecoms Limited.*,³ and *Interplay between Arbitration Agreements under the Arbitration & Conciliation Act, 1996 & the Indian Stamp Act, 1899, In re*⁴.

9. In view of the aforesaid, the Court deems it appropriate to appoint Mr.Kartikeya Jaiswal, Advocate (Mobile. No.- 9671676169, Email id- kartikeya@kjaiswal.com) as the Sole Arbitrator to adjudicate the dispute between the parties.

¹ (2020) 20 SCC 760.

² (2017) 8 SCC 377.

³ 2019 SCC OnLine SC 547.

⁴ 2023 SCC OnLine SC 1666.



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10. The Sole Arbitrator may proceed with the arbitration proceedings, subject to furnishing to the parties, requisite disclosures as required under Section 12 of the A&C Act.
11. The Sole Arbitrator shall be entitled to fee in accordance with the IVth Schedule of the A&C Act; or as may otherwise be agreed to between the parties and the learned Sole Arbitrator.
12. The parties shall share the arbitrator's fee and arbitral cost, equally.
13. All rights and contentions of the parties in relation to the claims/counterclaims are kept open, to be decided by the Sole Arbitrator on their merits, in accordance with law.
14. Needless to say, nothing in this order shall be construed as an expression on the merits of the controversy between the parties. All rights and contentions of the parties in this regard are reserved.
15. Let the copy of the said order be sent to the newly appointed Arbitrator through the electronic mode as well.
16. Accordingly, the instant petition stands disposed of.

APRIL 9, 2025

Nc/sp

PURUSHAINDRA KUMAR KAURAV, J

Click here to check corrigendum, if any