



2026:DHC:1942



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

**Date of Decision: 09.03.2026**

+ O.M.P.(I) (COMM.) 490/2025 & I.A. 2071/2026 (For appointment of a Court Receiver/LC)

CARS24 SERVICES PRIVATE LTD .....Petitioner

Through: Mr. Gauhar Mirza, Mr. Kaveesh Nair and Ms. Karshana Agarwal, Advocates.

versus

DREAMS CAR .....Respondent

Through: Ms. Harneet Kaur, Advocate.

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

% **JUDGEMENT (ORAL)**

**HARISH VAIDYANATHAN SHANKAR, J.**

**O.M.P.(I) (COMM.) 490/2025**

1. The present Petition has been filed under Section 9 of the **Arbitration and Conciliation Act, 1996<sup>1</sup>** seeking the following reliefs:

“.....

- a. Pass an ad-interim and interim order restraining the Respondent, their directors, servants, officers, agents, or anyone acting on their behalf, from selling, alienating, encumbering, or creating any third-party interest in the inventory detailed in Document 3.
- b. Pass an ad-interim and interim mandatory injunction directing the Respondent, their agents, employees, or anyone acting on their behalf, to forthwith deliver the physical possession of the said

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<sup>1</sup> The Act



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- Inventory to the Petitioner or their authorized representatives, such that Petitioner are able to transact on such vehicles, pending the disposal of the underlying dispute and arbitration proceedings;
- c. Pass an ad-interim and interim mandatory injunction directing the Respondent to ensure that there is no deviation or deterioration in the condition of the said Inventory from the state as recorded in their respective inspection reports. The Respondent shall not tamper with, destruct, damage, or deteriorate the said Inventory in any way while releasing it in the Petitioner's favor. Any such damage or deterioration shall be made good by the Respondent;
  - d. Pass an ad-interim and interim order directing the Respondent to furnish complete and detailed particulars of all inventory (including vehicles, spare parts, and any other goods) currently in their possession or control at their respective franchise premises or elsewhere;
  - e. Pass an interim order directing the Respondent to deposit the entire sale proceeds for any of the said Inventory that has already been unauthorizedly sold, disposed of, or transferred by them, into this Hon'ble Court, pending the completion of arbitration proceedings and passing of the award;
  - f. Award the cost of this Petition to the Petitioner;
  - g. Pass any other and further order(s) as this Hon'ble Court may deem just, fair and equitable in the facts and circumstances of the present case and in the interest of justice.”
2. Learned counsel for the parties, on instructions, submit that they are *ad idem* that the matter may be referred to arbitration, instead of adjudicating the present Petition on the merits.
3. Learned counsel appearing on behalf of the parties are also *ad idem* that the Arbitration Clause is set out as Clause 21 of the Franchise Agreement [**“Agreement”**] dated 22.04.2024 as executed between the parties. The said clause is set herein below:

**“21. Governing Law, Jurisdiction and Dispute Resolution**

- (1) This Agreement is governed by, and must be construed in accordance with, the laws of India.
- (2) In case of any controversy, claim, dispute, disagreement or other matter in question (the “Dispute”) arising out of or in connection with this Agreement, the matter should be settled amicably between the Parties.



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(3) In case the Dispute remains unsolved for more than ten (10) days after the first communication between the Parties, all disputes, differences and/or claims arising out of, or relating to, or in connection with this Agreement or the breach, termination or validity hereof shall be referred to Sole Arbitrator, to be appointed by the Cars24 in accordance with the Arbitration and Conciliation Act, 1996. The seat and venue of the arbitration shall be New Delhi, India. The award given by the Arbitrator shall be final and binding on both the Parties. The language of the arbitration proceedings and award shall be English.

(4) Subject to the above, this Agreement and any disputes arising hereunder shall be governed in accordance with the laws of India without regard to principles of conflict of laws. The Parties hereto consent to and agree to submit to the exclusive jurisdiction of the courts of New Delhi, India”

4. In view of the consensus regarding the appointment of an Arbitrator, the parties expressly waive the requirement of issuance of a formal notice under Section 21 of the Act, as well as the necessity of filing a Petition under Section 11 of the Act.

5. Since the parties have mutually consented to the appointment of an Arbitrator, and this Court is of the view that the commencement of arbitral proceedings should not be unduly delayed, it would be in the interest of justice that an Arbitrator be appointed.

6. The material on record reflects that the approximate claimed value of the dispute involved in the present matter is approximately Rs. 2 crores.

7. In view thereof, this Court is of the view that the matter may be referred to arbitration for the purpose of the resolution of disputes between the parties.

8. Accordingly, this Court hereby requests **Mr. Essenese Obhan, Advocate (Mobile No. 9899377703)**, to enter upon the reference and adjudicate the disputes *inter se* the parties.



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9. The arbitration would take place under the *aegis* of the Delhi International Arbitration Centre (DIAC) and would abide by its rules and regulations. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

10. 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.

11. 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.

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

13. Accordingly, 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. It is clarified that the interim Order dated 28.11.2025 shall be continued till such time as the Section 17 application is taken up and adjudicated upon by the learned Arbitrator.

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

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

16. The present Petition along with pending Application(s), if any,



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stands disposed of in the aforesaid terms.

**CCP(O) 15/2026 (For U/s 11 & 12 CCP)**

17. The present Petition, filed under Sections 11 & 12 of the Contempt of Courts Act, 1971, seeks the initiation of contempt proceedings against the Respondent/alleged Contemnor.

18. Mr. Gauhar Mirza, learned counsel appearing on behalf of the Petitioner would submit that the Respondent is in clear contempt of the directions dated 28.11.2025 passed by this Court in O.M.P.(I) (COMM.) 490/2025, by way of which this Court had restrained the Respondent from selling, alienating, encumbering or creating any third party interest in respect of the inventory detailed in Document No. 3 annexed with the captioned Section 9 Petition. He further submits that, in fact, four vehicles from the said list have been alienated by the Respondent.

19. Learned counsel appearing on behalf of the Respondent denies the said contention. She seeks and is granted a period of two (2) weeks to file a Reply to the present contempt Petition.

20. Rejoinder thereto, if any, be filed within a week thereafter.

21. List on 29.04.2026.

**HARISH VAIDYANATHAN SHANKAR, J.**  
**MARCH 09, 2026/tk/va/jk**