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

+ **ARB.P. 265/2026**

M/S VATIKA BUSINESS CENTRES PRIVATE LIMITED

.....Petitioner

Through: Mr. Abhijeet Gupta, Mr.
Aayush Rai and Mr. Shri Ram
Wagayach, Advs.

versus

GOOD FOOD TRADE PRIVATE LIMITEDRespondent

Through:

CORAM:

HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT(ORAL)

% **17.07.2026**

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996¹ seeking appointment of an independent Sole Arbitrator for adjudication of the disputes arising out of the Business Centre Agreement dated 29.05.2024² executed between the parties.

2. The Petitioner is engaged in the business of setting up and running business centres by providing temporary office spaces, secretarial services and allied facilities to individuals, companies and other entities for consideration. One such business centre is Vatika Business Centre, Chennai, where the Respondent availed the Petitioner's services by taking Business Suite No. S-20 on licence fee/monthly rent.

¹ "the Act", hereinafter

² "Agreement", hereinafter



3. Pursuant thereto, the parties entered into the aforesaid Agreement for a period commencing from 01.06.2024 till 31.05.2025. Under the terms of the Agreement, the Respondent was liable to pay a monthly license fee of Rs.1,30,500/-, besides applicable taxes and other charges.

4. The disputes between the parties arise out of the alleged default on the part of the Respondent in payment of the license fee and other contractual dues from January 2025 onwards, resulting in an outstanding amount of approximately Rs.16,30,477/-.

5. Accordingly, the Petitioner invoked the arbitration agreement contained in Clause 40 of the Agreement by issuing a notice dated 04.08.2025 in terms of Section 21 of the Act. The relevant arbitration Clause is reproduced hereinbelow:

“40. This Agreement is governed as per laws of India. However, in the event of any dispute between the Parties hereto, the same shall be referred to arbitration to be presided over by a mutually appointed sole arbitrator to be appointed jointly by the Licensor and the Licensee and the arbitration proceedings shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The arbitration proceedings shall be held in Gurgaon. The language of the arbitration and the award shall be English. This Agreement shall be subject to the jurisdiction of the courts in the Courts of New Delhi shall have exclusive jurisdiction to hear and decide any matter pertaining to this Agreement.”

6. On the last date of hearing, this Court recorded the following observations:

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2. This Court notes that on 20.03.2026 one Mr K.S.



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Badhrinathan, learned counsel, had appeared on behalf of the Respondent.

3. *On that day, he had sought time to file a Reply to the present Petition*

4. *Though Mr. K.S. Badhrinathan, appears to have participated in the proceedings on 15.05.2026, none appears for the Respondent today, and there is also no Reply on record.*

5. *This Court is of the view that in the interest of justice, one more opportunity should be granted to the Respondent to enter appearance or file their reply, if any.*

6. *If, on the next date of hearing, the Respond fails to enter into appearance or file a Reply, this Court shall proceed to refer the disputes as are stated to have arisen as between the parties to adjudication by the process of arbitration.*

7. *List on 17.07.2026.”*

7. Despite the aforesaid order, none appears on behalf of the Respondent today.

8. The appearance of Mr. Sabarish Subramanian and Mr. K.S. Badhrinathan on behalf of the Respondent also stands recorded in the order dated 20.03.2026 and 05.05.2026.

9. It is well settled that, while exercising jurisdiction under Section 11 of the Act, the scope of enquiry is confined to examining the *prima facie* existence of an arbitration agreement between the parties.³

10. In the present case, the record *prima facie* discloses the existence of the arbitration clause contained in Clause 40 of the Agreement. The record further shows that the Petitioner invoked the said arbitration clause by issuing a notice dated 04.08.2025 under Section 21 of the Act.

11. Despite repeated opportunities granted by this Court, the

³ SBI General Insurance Co. Ltd. v. Krish Spinning 2024 SCC OnLine SC 1754



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Respondent has neither disputed the existence of the arbitration agreement nor filed any reply.

12. In these circumstances, this Court finds no impediment in proceeding with the present petition and considering the prayer for appointment of a Sole Arbitrator.

13. The claims sought to be referred to arbitration are stated to be approximately Rs.16,30,477/-.

14. Accordingly, Mr. Yajur Sharma, Advocate (Mob No.- 91-9818669604) 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.

15. 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.

16. The arbitration shall be carried under the rules and aegis of Delhi International Arbitration Centre⁴. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

17. 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.

⁴ "DIAC", hereinafter



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18. It is clarified that the observations made herein are only for the purpose of deciding the present petition under Section 11(6) 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. Yajur Sharma, learned Arbitrator through all permissible modes including email.

20. Accordingly, the present petition is disposed of in the above terms.

OM PRAKASH SHUKLA, J

JULY 17, 2026/gunn