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

+ **ARB.P. 263/2024**

M/S PIONEER PUBLICITY CORPORATION PVT LTD

.....Petitioner

Through: Mr. Kamaldeep Adv. for Ms. Niyati
Sharma, Adv.
Mr. Ramesh Kumar, Adv.

versus

M/S LAKHANI FOOTWEARS (P) LTD

.....Respondent

Through: Mr. Udit Chauhan, Mr. Aditya P.
Arora, Ms. Kashish Khurana, Mr.
Ritvik Chouhan, Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

09.09.2024

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1. This is a petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an arbitrator for adjudication of disputes between the parties.
2. The semi-naming rights and advertising rights were purchased by the respondent *vide* Agreement dated 16.06.2016 from the petitioner for a period of 5 years.
3. Since there were defaults, the petitioner revoked the contract on 31.07.2022 and invoked arbitration *vide* Legal Notice dated 28.03.2023.
4. The arbitration clause is Clause 8 of the Agreement, which reads as under:-

“8. That Any dispute between First Party and Second Party will be settled under the provisions of Indian Arbitration and Conciliation Act, 1996. The Arbitrator for such purpose will be appointed mutually.”



5. The respondent has filed a reply, wherein besides raising technical objections, the only objection is with regard to the territorial jurisdiction of this Court.

6. It is stated that the petitioner has granted branding rights to the respondent for Metro Station at Faridabad. The Agreement was entered into at Faridabad and the performance of the Agreement was at Faridabad. The respondent does not have any registered office, as well as the branch office of the petitioner is at Faridabad.

7. Clause 9 of the said Agreement reads as under:-

“9. That this agreement is subject to the Jurisdiction of Delhi Courts in the unlikely event of any legal dispute between the First Party and the Second Party”.

8. Once there is a jurisdiction clause, if any part of cause of action arises within the jurisdiction of that court, the jurisdiction of other courts are ousted. Clause 9 would not be applicable only in case where there is no cause of action or part of cause of action having arisen in Delhi.

9. My attention has been drawn to the invoices issued by the petitioner, wherein Clause 2 of the Terms & Conditions reads as under:-

“2. Draft/Payees A/c cheque to be drawn in favour of PIONEER PUBLICITY CORPORATION PVT LTD. Outstation payments solicited by Demand Draft payable at Delhi.”

10. Once the payment is payable at Delhi, I am of the view that a part of cause of action has arisen at Delhi and hence, this Court will have the territorial jurisdiction to entertain and try the present petition.

11. For the said reasons, the petition is allowed and disposed of with the following directions:-



- i) Mr. Jagdeep Sharma, Adv (Mob. No. 9811297224) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
- ii) The arbitration will be held under the aegis of the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi (hereinafter, referred to as the 'DIAC').
- iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators' Fees) Rules, 2018.
- iv) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
- v) It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claim, any other preliminary objection, as well as claims/counter-claims and merits of the dispute of either of the parties, including the fact of whether the petitioner has committed any illegality and made the building contrary to the sanction plan in an illegal manner is left open for adjudication by the learned arbitrator.
- vi) The parties shall approach the learned Arbitrator within two weeks from today.

JASMEET SINGH, J

SEPTEMBER 9, 2024/NG