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

+ ARB.P. 437/2024

VINAY SEHRAWAT & ANR. Petitioners

Through: Mr. Sudhanshu Tomar, Advocate.

versus

HOTEL CUBIC INN & ORS. Respondents

Through: Mr. S. Chakraborty, Mr. M.R.
Jangid, Advocates.

CORAM:
HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

% **03.04.2024**

1. The petitioner has filed this petition under Section 11 of the Arbitration and Conciliation Act, 1996 [“the Act”], seeking appointment of an arbitrator to adjudicate disputes arising under a lease deed dated 10.12.2018.
2. The lease deed was entered into between the petitioners herein and one Mr. Satbeer Singh, in respect of a property described as Hotel Cubic Inn, situated at *Khasra No. 391, Block-A, Gali No.-1, Mahipalpur, New Delhi-110037*. The lease contains a provision for resolution of disputes by arbitration [Article 15]. Sub-Article 1.2 thereof provides that the venue of arbitration shall be New Delhi. Article 14 also provides for exclusive jurisdiction of the courts in Delhi/New Delhi.
3. The parties which have been arrayed as respondents in the present



petition are Hotel Cubic Inn and two individuals by the name of Surender Mahajan and Pardeep Goel. Respondent Nos. 2 and 3 have been described as partners of Hotel Cubic Inn.

4. The petitioners issued a legal notice dated 05.06.2023 to the respondents herein, raising various disputes under the lease deed. It was contended that the respondents were in possession of the premises but had not made payment of the lease rent of ₹3 lakhs per month from June, 2020 until June, 2023. The petitioners claimed a sum of ₹78,97,385/- as unpaid rent, and interest thereupon, as well as possession of the premises.

5. Respondent Nos. 1 and 2 replied by a legal notice dated 30.06.2023, wherein respondent No. 2 was described as a partner of respondent No. 1. Although it was stated that the answering respondents were not parties to the lease deed, the petitioners' claims were also addressed on merits and their possession of the premises was not disputed.

6. The disputes between the parties were not resolved, by reason whereof learned counsel for the petitioner addressed a further notice dated 10.08.2023 to the respondent, invoking the arbitration clause and suggesting the name of an arbitrator.

7. All three respondents replied to the aforesaid notice through counsel's communications dated 16.08.2023. Respondent Nos. 1 and 2 reiterated their earlier reply dated 30.06.2023, but thereafter stated as follows:-

“My client does not inspire much confidence on the neutrality of the person named in your notice purported to be appointed as Sole Arbitrator to adjudicate the dispute arisen between the parties as such would like to request your client to get an Independent Sole Arbitrator appointed by the civil court, which



will be binding upon the parties.

All the required support and endeavor will be extended by my client in the appointment of an Independent Sole Arbitrator by the court, preferably retired District Judge. The Arbitration fees of the appointed Independent Sole Arbitrator will be shared in equal proportion by both the parties to the present dispute.”

[Emphasis supplied.]

8. Mr. S. Chakraborty, learned counsel, appears on behalf of the respondents on advance notice. Although he submits that the respondents are not parties to the agreement dated 10.12.2018, he admits that the respondents are in possession of the premises in question. Upon enquiry as to the status of the respondents, he claims that they are partners of Satbeer Singh in the business concern Hotel Cubic Inn, and that their possession is in the capacity of assignees of Satbeer Singh under the lease deed. Mr. Chakraborty points out that Satbeer Singh, is named as the lessee under the lease agreement, which is expressly stated to include his assignees.

9. In view of this position, and the categorical submission in the response to the invocation notice by the respondents herein to the effect that they would accept reference to arbitration under an independent arbitrator, Mr. Chakraborty submits that an arbitrator may be appointed, leaving all rights and contentions of the parties open for adjudication before the learned arbitrator.

10. Having regard to the above, the petition is disposed of, referring the disputes between the parties to the arbitration of Ms. R. Kiran Nath, former District and Sessions Judge [Tel:- 9910384659].

11. The arbitration will be under the aegis of Delhi International Arbitration Centre, Shershah Road, New Delhi-110503 [“DIAC”] and



will be governed by the Rules of DIAC, including as to the remuneration of the learned arbitrator.

12. The learned arbitrator is requested to furnish a declaration in terms of Section 12 of the Act, prior to entering upon the reference.

13. It is made clear that all rights and contentions of the parties on maintainability of the claims and on merits are left open for adjudication by the learned arbitrator.

14. The petition stands disposed of in these terms.

PRATEEK JALAN, J

APRIL 3, 2024

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