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

+ **ARB.P. 455/2024**

LOUIS DREYFUS COMPANY INDIA PRIVATE LIMITED

.....Petitioner

Through: Mr Mayank Mehandru, Ms Charu Tandon, Mr
Raghav Tandon, Mr Nikhil Kharaliya and Ms Lisa
Popli, Advs. (through VC)

versus

RAMBHAJ AGGARWAL

.....Respondent

Through: Mr Panna Lal Sharma, Adv. (through VC)

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

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19.07.2024

1. This is a petition under Section 11 of the Arbitration and Conciliation Act, 1996 seeking appointment of a Sole Arbitrator for adjudication of disputes between the parties.
2. It is stated that the petitioner and the respondent executed a Purchase Agreement in the year 2013, wherein the petitioner agreed to sell its products to the respondent. From 2013 to 2022, in furtherance of the Purchase Agreement, the parties continued their business relationship where the petitioner used to take Orders/Sauda from the respondent and the petitioner supplied the booked orders/sauda to the respondent as per the demand raised by them.
3. Thereafter, certain disputes arose between the parties and the petitioner invoked the arbitration clause *vide* Legal Notice dated 18.09.2023.
4. There is an arbitration clause in the Purchase Agreement which reads



as under:

“DISPUTE RESOLUTION:

31. Any disputes arising between the Parties shall be referred to arbitration in accordance with the Indian Arbitration and Conciliation Act, 1996. The Company will appoint one (1) arbitrator and the award to be passed by the arbitrator shall be final and binding on both Parties. The language of arbitration shall be English and the place of arbitration shall be Delhi. Both Parties will bear the expenses of arbitration equally or as directed by the arbitration award.”

5. Hence, the present petition was filed.

6. Mr Sharma, learned counsel for the respondent states that the Purchase Agreement is not signed by the petitioner and hence, there is no valid and binding arbitration clause. The Purchase Agreement is signed by the respondent.

7. I have heard learned counsels for the parties.

8. It is pertinent to mention that in Para 7 (a) and 7 (e) of the reply, the respondent has duly admitted the execution of the Purchase Agreement. Para 7 (a) and 7 (e) of the reply reads as under:

“7.

(a) That para under reply is matter of record, however, it is submitted that the Respondent always booked the order in writing as mentioned in the Purchase agreement.

.....

(e) That the contents of present para (e) of the petition are wrong and false and hence denied. It is denied that business



transactions were on oral basis. It is submitted that order were in writing as mentioned in the Purchase agreement. It is also wrong and false, hence denied that default was made by the Respondent. It is also wrong and denied that the Respondent failed to lift the material. Rest of the para is also wrong and false hence denied. It is submitted that always order were in writing as mentioned in the Purchase Agreement. It is also submitted that no default was made by Respondent at any point of time.”

9. Even though the Purchase Agreement has not been signed by the petitioner, the parties have acted upon the Purchase Agreement for a period of almost more than 10 years and the said fact is duly admitted by the respondent in its reply.

10. For the said reasons, I am of the view that there is a valid, legal and binding arbitration agreement between the parties as envisaged in Section 7 of the Arbitration and Conciliation Act, 1996 and more particularly Section 7(4) (b) and (c).

11. Since the parties are still having disputes between them the present petition is allowed and the following directions are issued:-

- i) Ms. Sonu Bhatnagar, Advocate (Mob. No. 9810134678) 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’). The remuneration of the learned Arbitrator shall be in terms of the Fourth Schedule of the Arbitration & Conciliation Act, 1996.



- iii) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
 - iv) 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 on merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.
 - v) The parties shall approach the learned Arbitrator within two weeks from today.
12. The petition is allowed and disposed of in the aforesaid terms.

JASMEET SINGH, J

JULY 19, 2024

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