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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ARB.P. 627/2024

RASHMI SALES PVT LTD & ORS.

.....Petitioner

Through: Mr. Ravinder Singh, Ms. Raveesha
Gupta, Mr. Ritvik Bhardwaj, Advs.

versus

CLUB RESORTO VACATIONS PRIVATE LIMITED

.....Respondent

Through: Mr. Joney, Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

02.09.2024

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1. This is a petition filed under section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of a Sole Arbitrator to adjudicate the disputes between the parties.
2. The facts are that the respondent approached petitioner No.1 in order to rent the right side of second floor of property No. 24 & 30, Okhla Industrial Estate, Okhla Phase-III, New Dlehi-110020 ad measuring about 3800 sq. ft. of super built up area ("leased premises") Subsequently, a Letter of Intent was signed between the parties on 29.04.2023.
3. The petitioner No. 1 and the respondent executed a registered Lease Deed dated 19.07.2023 for a period of 5 years at a monthly rent of Rs. 2,80,000/-.
4. The Arbitration clause is contained as Clause 12 (r) in the Registered



Lease Deed which reads as under:

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....

(r) That any dispute or differences between the parties hereto relating to or arising out of this Agreement (including any dispute or differences as to the existence or validity hereof) shall be referred for Arbitration and the decision of the Arbitrator(s) shall be final and binding on the parties. The Arbitration shall be conducted in accordance with the provisions of Arbitration and Conciliation Act, 1996 and/or any statutory modification or re-enactment thereof and the venue of Arbitration proceedings shall be at New Delhi. The expenses of the Arbitration proceedings shall be borne by each party in equal proportion or as per the decision of the Arbitrator(s).”

5. Subsequently, an agreement for maintenance was executed between petitioner No. 2 and respondent on 20.07.2023 with respect to the leased premises whereby it was agreed that a sum of Rs 40,000/- per month was payable towards the maintenance charges. The arbitration clause is also contained in the Agreement for Maintenance being Clause 19 which reads as under:

19. That any dispute or differences between the parties hereto relating to or arising out of this Agreement (including any dispute or differences as to the existence or validity hereof) shall be referred for Arbitration and the decision of the Arbitrator(s) shall be final and binding on the parties. The Arbitration shall be conducted in accordance with the provisions of Arbitration and Conciliation Act, 1996 and/or any statutory modification or re-enactment thereof and the venue of Arbitration proceedings shall be at New Delhi. The expenses of the Arbitration proceedings shall be borne by each party in equal proportion or as per the decision of the Arbitrator(s).



6. Subsequently, an Agreement for hiring was also executed between petitioner No. 3 and the respondent for the leased premises on 20.07.2023 for a sum of Rs 60,000/- per month payable towards the hiring charges. The Agreement for Hiring also contains an Arbitration clause being Clause 15 which reads asunder:

That any dispute or differences between the parties hereto relating to or arising out of this Agreement (including any dispute or differences as to the existence or validity hereof) shall be referred for Arbitration and the decision of the Arbitrator(s) shall be final and binding on the parties. The Arbitration shall be conducted in accordance with the provisions of Arbitration and Conciliation Act, 1996 and/or any statutory modification or re-enactment thereof and the venue of Arbitration proceedings shall be at New Delhi. The expenses of the Arbitration proceedings shall be borne by each PARTY in equal proportion or as per the decision of the Arbitrator(s).

7. Since there were disputes between the parties, the respondent terminated the Lease on 23.02.2024 and also handed over vacant and peaceful possession of the leased premises.
8. It is stated on behalf of the petitioner that there are disputes regarding the payment payable under all the three agreements (mentioned above) for the lock in period.
9. The petitioner invoked arbitration *vide* legal notice dated 27.03.2024 and thereafter filed the present petition.
10. Mr. Joney, learned counsel appears on behalf of the respondent and has no objection to the present petition being allowed.
11. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) Mr. Naveen Kumar Chaudhary, Advocate (Mob. 9810372713) 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 and 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 disposed of in the aforesaid terms.

JASMEET SINGH, J

SEPTEMBER 2, 2024 / (MS)

Click here to check corrigendum, if any