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

% ***Date of decision: 27st May, 2024***

+ **ARB.P. 695/2024**

MR PRASHANT SHARMA

..... Petitioner

Through: Mr. Sunil Kr Kalra and Ms. Monika Tyagi and Mr. Shyam Babu and Mr. Amar Nath, Advocates.

versus

M/S R3 MEDICAL CLINIC PVT.LTD.

..... Respondent

Through: Mr. Avnish Chaturvedi and Mr. Gaurav Gupta, Advocates.

CORAM:

HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

J U D G M E N T (oral)

CAV 242/2024

1. Since the respondent/Caveator appeared, the Caveat stands disposed of.

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2. The Petition under Section 11(6) of the Arbitration and Conciliation Act, 1996 (*hereinafter referred to as 'the Act'*), has been filed on behalf of the petitioner, for appointment of Arbitrator.

3. It is submitted that the petitioner had been appointed as Director in a respondent Company *vide* Appointment Letter dated 15.08.2023. The

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petitioner was drawing a salary of Rs.81,000/- p.m.

4. The petitioner was given 1% shareholding in the respondent Company. The second Director Mr. David Lawrence Greene, who is USA citizen, stood as 99% shareholder of the respondent Company.

5. The petitioner and the respondent entered into an Agreement dated 19.08.2023 which contains *Arbitration Clause 19.4*.

6. On 12.03.2024, Mr. David Lawrence Greene, second Director, had blocked all the credentials of the petitioner w.e.f. 12.02.2024. Thereafter, the Director issued the *Notice of Termination* dated 14.03.2024, to terminate the employment, Directorship rights, association with the respondent Company, without giving opportunity of being heard. The petitioner replied to the Notice dated 14.03.2024 on 15.03.2024.

7. On 15.03.2024, Special Notice for removal of the petitioner, from Directorship was issued by the second Director of the respondent Company under Section 115 of the *Companies Act, 2013* and Rule 23 of the *Companies (Management and Administration) Rule, 2014*.

8. Again, on 28.03.2024, another Special Notice under Section 169 of the *Companies Act, 2013* read with Sub Section (4), was issued by Mr. David Lawrence Greene for removal of petitioner and granted time to the petitioner, to file Representation till 25.04.2024.

9. On 06.04.2024, the petitioner *invoked the Arbitration Clause* as per Clause 19.4 of Share Holder Agreement dated 19.04.2023. Hence, the present Petition has been filed by the petitioner for Appointment of Sole Arbitrator, to adjudicate the disputes between the parties.

10. Learned counsel appearing on behalf of the respondent, has no objection for appointment of the learned Arbitrator.



11. **Submissions heard.**

12. Considering that there is a valid Arbitration Agreement between the parties and in light of the facts and discussions, the present Petition is allowed.

13. The Coordinator, Delhi International Arbitration Centre is requested to appoint an Arbitrator in accordance with the provisions of the Act, 1996 for adjudication of the disputes between the parties.

14. The parties are at liberty to raise their respective objections before the learned Arbitrator.

15. The fees of the Arbitrator would be fixed in accordance with the Delhi International Arbitration Centre Rules.

16. This is subject to the Arbitrator making necessary disclosure as under Section 12(1) of A&C Act, 1996 and not being ineligible under Section 12(5) of the A&C Act, 1996.

17. Learned counsels for the parties are directed to contact the learned Arbitrator within one week of being communicated a copy of this Order to them by the Registry.

18. A copy of this Order be also forwarded to the learned Arbitrator, for information.

19. The Petition is accordingly disposed of in the above terms.

(NEENA BANSAL KRISHNA)
JUDGE

MAY 27, 2024/rs

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