



2024:DHC:8828



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% **Date of Decision: 14.11.2024**+ **ARB.P. 926/2024**

MONEYWISE FINANCIAL SERVICES PVT LTD.Petitioner

Through: Mr. Mehvish Khan, Mr. Aman
Choudhary, Advs

versus

AGGARWAL GRANITES THROUGH
ITS PROPRIETOR MOHAN LAL GUPTA AND ORS.

.....Respondents

Through: Mr. Utkarsh Mathur, Advocate.

CORAM:**HON'BLE MR. JUSTICE SACHIN DATTA****SACHIN DATTA, J. (ORAL)**

1. The present petition has been filed under section 11 of the Arbitration and Conciliation Act, 1996 (hereinafter referred as 'A&C Act') seeking appointment of a sole arbitrator to adjudicate the disputes between the parties.

2. The disputes between the parties have arisen in the context of a Master Loan Agreement dated 24.12.2021 executed between the parties, in terms of which respondent no.1 is the borrower, whereas respondent no(s) 2 to 4 are co-borrowers.

3. As per the said agreement, the petitioner disbursed a loan of Rs. 10,11,941/- (Rupees Ten Lakhs Eleven Thousand and Nine Hundred and Forty-One only) to the respondents. The loan amount was payable in 36



2024:DHC:8828



equal instalments of Rs.37,350/- (Rupees Thirty-Seven Thousand Three Hundred and Fifty only)

4. Dispute/s have arisen between the parties on account of alleged default on the part of the respondents in paying the requisite instalments. The respondents failed to make the payment despite being granted opportunities to clear the outstanding dues.

5. The arbitration clause in the Agreement between the parties, is in the following terms : -

*“8.2 Arbitration: Any disputes, differences, controversies and questions directly or indirectly arising at any time hereafter between the Parties or their respective representatives or assigns, arising out of or in connection with this Agreement (or the subject matter of this Agreement), including, without limitation, any question regarding its existence, validity, interpretation, construction, performance, enforcement, rights and liabilities of the Parties, or termination (“Dispute”), shall be referred to a sole arbitrator duly appointed by the **Lender**. The language of the arbitration shall be English. The seat of the arbitration shall be at New Delhi and the language of proceedings shall be English. The award rendered shall be in writing and shall set out the reasons for the arbitrator’s decision. The costs and expenses of the arbitration shall be borne equally by each Party with, each party paying for its own fees and costs including attorney fees, except as may be determined by the arbitration tribunal. Any award by the arbitration tribunal shall be final and binding.”*

6. Disputes having arisen between the parties, a loan recall/termination notice dated 27.05.2024 was issued by the petitioner followed by a demand notice cum notice for invoking arbitration on 07.06.2024. However, the respondents failed to respond to the same.

7. In the above circumstances, the petitioner has approached this Court, through the present petition, seeking the appointment of a sole arbitrator to



2024:DHC:8828



adjudicate the dispute.

8. Learned counsel for the respondents who appears virtually submits that he has no objection if an independent sole arbitrator is being appointed by this Court to adjudicate the disputes between the parties.

9. Since the existence of the arbitration clause is evident from a perusal of the Master Loan Agreement, there is no impediment in appointing an independent sole arbitrator for adjudicating the disputes between the parties as prayed for, as mandated in terms of the judgments of the Supreme Court in *Perkins Eastman Architects DPC v. HSCC (India) Ltd* (2020) 20 SCC 760, *TRF Limited v. Energo Engineering Projects Ltd*, (2017) 8 SCC 377, *Bharat Broadband Network Limited v. United Telecoms Limited*, 2019 SCC OnLine SC 547, *SBI General Insurance Co. Ltd. v. Krish Spinning*, 2024 INSC 532 and *Interplay between Arbitration Agreements under the Arbitration & Conciliation Act, 1996 & the Indian Stamp Act, 1899, In re*, 2023 SCC OnLine SC 1666.

10. Accordingly, Ms. Mishika Bajpai, Advocate (Mob. No.: +91 9811840277) is appointed as the Sole Arbitrator to adjudicate the disputes between the parties.

11. The respondent shall be at liberty to raise preliminary objections as regards arbitrability/jurisdiction, if any, which shall be decided by the arbitrator, in accordance with law.

12. The learned Sole Arbitrator may proceed with the arbitration proceedings subject to furnishing to the parties requisite disclosure as required under Section 12 of the A&C Act.



2024:DHC:8828



13. The learned Sole Arbitrator shall be entitled to fee in accordance with the IVth Schedule of the A&C Act; or as may otherwise be agreed to between the parties and the learned Sole Arbitrator.
14. Parties shall share the arbitrator's fee and arbitral cost, equally.
15. All rights and contentions of the parties in relation to the claims/counter claims are kept open, to be decided by the learned Sole Arbitrator on their merits, in accordance with law.
16. Needless to say, nothing in this order shall be construed as an expression of opinion of this court on the merits of the case.
17. The present petition stands disposed of in the above terms.

SACHIN DATTA, J

NOVEMBER 14, 2024/sl