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

+ **ARB.P. 982/2024**

M/S ANNAPURNA ELECTRIC WORLDPetitioner

Through: Mr. Ankit Singhal, Ms. Ashish Mittal,
Advvs.

versus

M/S HERO ELECTRIC VEHICLES PRIVATE LIMITED

.....Respondent

Through:

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **07.10.2024**

1. This is a petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (“**1996 Act**”) seeking appointment of a Sole Arbitrator from the panel of arbitrators of Delhi International Arbitration Centre (“**DIAC**”) for adjudication of disputes between the parties.
2. The facts are that the petitioner and the respondent entered into a Dealership Agreement dated 17.01.2021, whereby the petitioner was appointed as an exclusive dealer for sale and servicing of products and parts manufactured by the respondent. The Agreement was amended through Dealership Agreement dated 01.04.2021.
3. It is stated that since the respondent failed to supply requisite products and parts and failed to fulfil and honor the orders placed by the petitioner,



vide e-mail dated 03.08.2023, the petitioner was constrained to resign from its dealership and requested to transfer the balance funds lying with the respondent. On 03.08.2023 itself, the respondent in response issued a full and final settlement form to be filled by the petitioner for the settlement to be completed. The same was done by the petitioner, however, no response was received from the respondent. On 10.02.2024, the petitioner served a legal notice to the respondent. The finance department of the respondent, *vide* email dated 16.02.2024, acknowledged that certain sums were outstanding and due to the petitioner.

4. Since no response was received from the respondent, the petitioner invoked arbitration *vide* Legal Notice dated 16.04.2024.

5. The arbitration clause is Clause 23 of the Dealership Agreement dated 17.01.2021, which reads as under:-

“ *Section 23*

DISPUTE RESOLUTION

23.1 Any dispute arising out of or in relation to the breach of the working of, to the interpretation of to the constructive meaning effect in relation to, in respect of this Agreement shall be attempted to be resolved in good faith by both parties.

23.2 If disputes arising out of or in relation to the breach of, the working or, arising to or relating to the present Agreement, interpretation or construction of the present Agreement cannot be amicably resolved within 30 days, the matter will be finally resolved by reference to arbitration under a sole arbitrator, in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any subsequent amendments thereto.



The arbitrator shall be mutually appointed by both parties. The costs of Arbitration will be equally apportioned between HE and the dealer.

23.3 The applicable law shall be the laws of India.

24.4 The seat of Arbitration shall be exclusively at New Delhi, and the courts of New Delhi. "

6. On 09.07.2024, notice was issued to the respondent.
7. As per the service report, the respondent has been served. However, despite the same, there is no appearance on behalf of the respondent.
8. For the said reasons, the petition is allowed and the following directions are issued:-

- i) Ms. Bhawna Khanna, Advocate (Mob. No. 9810071710) 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').
- iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators' Fees) Rules, 2018.
- iv) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
- v) 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.

vi) The parties shall approach the learned Arbitrator within two weeks from today.

JASMEET SINGH, J

OCTOBER 7, 2024/NG