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

+ **ARB.P. 1070/2024**

M/S CP STORAGE STUDIO LLP

.....Petitioner

Through: Mr. Raj Shekhar Rao, Sr. Advocate
with Mr. Abhishek Garg, Mr. Yash
Gaiha, Mr. Ranesh Singh
Mankotta, Mr. Naman Mehta, Mr.
Harshil Wason, Advocates.

versus

**M/S NEW STYLE INFO-SYSTEM PRIVATE
LIMITED**

.....Respondent

Through: Mr. Ashish Mohan, Mr. Bharat
Sood, Mr. Digvijay Singh,
Advocates.

CORAM:

HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

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23.07.2024

I.A. 34009/2024 (for exemption)

Exemption allowed, subject to all just exceptions.

The application stands disposed of.

ARB.P. 1070/2024

1. The petitioner has filed this petition under Section 11 of the Arbitration and Conciliation Act, 1996 ["the Act"], seeking appointment of an arbitrator to adjudicate disputes between the parties under a Lease Deed dated 07.09.2018. ["the Deed"]
2. Clause 12.3 of the Deed provides for arbitration by a three-member arbitral tribunal. Delhi has been designated as the place of arbitration.



Clause 12.4 of the Deed also vests exclusive jurisdiction in the Courts in Delhi.

3. According to the petitioner, it had leased property bearing No. 145P, Sector-44, Gurugram, from the respondent, under the Deed, and thereafter, it was sub-leased to a third-party.

4. The petitioner was admittedly unable to make payment of the lease rent, allegedly due to non-payment by the sub-lessee. The Deed was terminated by the respondent by notice dated 11.04.2024. The petitioner disputed the termination and ultimately invoked arbitration by a notice dated 13.06.2024, and suggested the name of an arbitrator.

5. In the meanwhile, the petitioner also had disputes with the sub-lessee, which were referred to arbitration by an order of this Court dated 30.05.2024 in O.M.P.(I)(COMM.) 180/2024.

6. Mr. Raj Shekhar Rao, learned Senior Counsel for the petitioner, submits that the disputes between the petitioner and the respondent be referred to a consolidated arbitration alongwith the disputes between the petitioner and the sub-lessee.

7. Mr. Ashish Mohan, learned counsel for the respondent, who appears on advance notice, submits that the contractual relationship between the petitioner and the respondent, and the arbitration clause, are undisputed, but the respondent does not consent to a consolidated arbitration as sought by the petitioner.

8. In the absence of the respondent's consent on this aspect, Mr. Rao submits that an arbitrator may be appointed to adjudicate the disputes between the petitioner and the respondent independently. Both Mr. Rao and Mr. Mohan, however, agree that the reference may be made to a sole



arbitrator rather than to a three-member tribunal, as contemplated in Clause 12.3 of the Deed.

9. Having regard to the above, the disputes between the parties under the Lease Deed dated 07.09.2018 are referred to arbitration of Hon'ble Ms. Justice Gita Mittal, former Chief Justice, High Court of Jammu & Kashmir and Ladakh [Tel: 9818000220]. The learned Arbitrator is requested to furnish a declaration under Section 12 of the Act, prior to entering upon the reference.

10. The arbitration proceedings will be held under the aegis of Delhi International Arbitration Centre, Delhi High Court, Shershah Road, New Delhi, 110003 ["DIAC"], and will be governed by the Rules of DIAC, including as to remuneration of the learned Arbitrator.

11. All rights and contentions of the parties are left open for adjudication by the learned Arbitrator.

12. The petition stands disposed of with the aforesaid directions.

PRATEEK JALAN, J

JULY 23, 2024

"Bhupi"/