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

+ **ARB.P. 1949/2024**

LUV SETHI AND ORS

.....Petitioners

Through: Ms. Smiti Verma, Advocate

versus

M/S ASHIMARA HOUSING PVT LTD.

.....Respondent

Through: Appearance not given.

CORAM:

HON'BLE MS. JUSTICE SWARANA KANTA SHARMA

ORDER

11.12.2024

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1. The instant petition under Section 11 of the Arbitration and Conciliation Act, 1996 ('A&C Act'), has been filed on behalf of the petitioners, seeking the appointment of a Sole Arbitrator for adjudicating disputes and differences between the petitioners and respondent.
2. The dispute between the parties has arisen in context of a Lease Deed dated 21.11.2022, by virtue of which, property bearing number UB-70, Jawahar Nagar, Delhi-110007, jointly owned by the petitioners, was taken on lease to run paying guest (PG) facility for students of Delhi University. It is stated that the said Lease Deed was executed for a period of five years, with rent agreed at Rs. 7,41,200/-, with indexation of 5% of the last paid rent in every year.
3. Dispute between the parties has arisen on account of alleged non-payment of the outstanding monetary entitlements of the petitioners under the said Lease Deed, for which a Demand/Recovery notice to the respondent



dated 15.03.2024, was sent by the petitioners.

4. It is stated that the petitioners were constrained to issue a notice under Section 106 of the Transfer of Property Act, 1882, whereby the Lease Deed duly executed between the parties was terminated and consequently the petitioners had demanded the physical and vacant possession of the property- in- question within 15 days of the receipt of the said legal notice from respondent. It is stated that the respondent had replied to the legal notice on 01.05.2024. It is stated that the reply was not an exhaustive reply and had simply denied the allegation made by the petitioners in the said notice.

5. It is stated that since the respondent had undertaken to pay the arrears and the future rent, the respondent had not adhered to the schedule as undertaken by the respondent and the addendum agreement. And thereafter, the petitioners were constrained to invoke the arbitration clause in the Lease Deed, as per Clause 16, and file the present petition.

6. Clause 16 of the Lease Deed, which contains the arbitration clause, is set out below:

“Any dispute, controversy, claim or breach arising out of or in relation to this Agreement shall be finally settled in accordance with the Arbitration and Conciliation Act, 1996, as amended and then in effect which shall be deemed to have been incorporated herein, by binding arbitration by a sole arbitrator to be mutually appointed by the Company and the relevant Party to the dispute.

The seat of arbitration shall be at Delhi.”

7. The learned counsel for the respondent has no objection to the appointment of an independent Sole Arbitrator by this Court, to adjudicate the disputes between the parties.



8. Since no further communications were exchanged and the parties were unable to mutually agree to the appointment of a Sole Arbitrator to adjudicate the disputes between the parties, the present petition has come to be filed.

9. Accordingly, Mr. Abhishek Mahajan, Advocate (Mobile No. +91-9810981062) is appointed as the Sole Arbitrator to adjudicate the disputes between the parties.

10. The respondent shall be at liberty to raise appropriate objections as regards jurisdiction / arbitrability which shall be considered by the arbitrator in accordance with law.

11. The respondent shall also be at liberty to file counter-claims before the learned Sole Arbitrator.

12. 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.

13. 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.

14. Needless to say, nothing in this order shall be construed as an expression of opinion of this Court on the merits of the case.

15. The present petition stands disposed of in the above terms.

16. The order be uploaded on the website forthwith.

SWARANA KANTA SHARMA, J

DECEMBER 11, 2024/ns

[Click here to check corrigendum, if any](#)