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

+ **ARB.P. 71/2025**

M/S SANDHU MOTOR FINANCE PVT LTDPetitioner

Through: Ms. Sonali Arora, Adv.

versus

MUKESH KUMAR SINGHRespondent

Through: Ms. Kritika Sharma, Ms. Swati Gohit,
Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **28.07.2025**

1. It is stated by Ms. Arora, learned counsel that the matter is not settled before the Mediation Centre and the non-settled report is on the record. There is nobody appearing on behalf of the respondent today nor any reply has been filed. Hence, the matter is taken up for hearing.
2. This is a petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996 seeking appointment of a Sole Arbitrator for adjudication of disputes between the parties arising out of a Loan Agreement No. SMF/V28/2019 dated 22.05.2019.
3. The said Agreement contains an arbitration clause being Clause No. 10.14 which reads as under :

“10.14 Any difference or dispute arising between the parties out the operation of this Agreement or renewal there of or in any way relating to the Rights and Liabilities of the Parties here under the same shall be referred to the sole Arbitration of the person appointed by the financier. The Arbitration proceedings shall be



conducted in accordance with Arbitration & Conciliation Act 1966 & Rule made there under as amended from time to time. The Venue of Arbitration shall be Delhi, Courts at Delhi shall have exclusive Jurisdiction in all matters arising under this Agreement.”

4. Since the respondent failed to pay the instalments, the petitioner issued Demand Notice dated 11.03.2020 and foreclosed the loan account on 15.10.2020.
5. As there were disputes between the parties, the petitioner invoked arbitration *vide* legal notice dated 04.02.2021 and thereafter filed the present petition.
6. I am satisfied that there exists a valid arbitration clause and there are disputes existing between parties which need to be adjudicated through arbitral mechanism.
7. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) DIAC will appoint an Arbitrator out of the Panel of the Advocates maintained by the DIAC.
 - ii) The arbitration will be held under the aegis and rules 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 petitioner shall approach the learned Arbitrator within two weeks from today.
8. The present petition is disposed of in the aforesaid terms.

JULY 28, 2025/AS/sp

JASMEET SINGH, J