



2025:DHC:2141



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

+ **ARB.P. 254/2025 and I.A. 2979/2025**

Date of Decision: **25.03.2025.**

IN THE MATTER OF:

**M S OUTLINE DESIGN N INTERIORS INDIA PVT LTD
THROUGH ITS DIRECTOR MR KUNAL GOYAL**

.....Petitioner

Through: Mr. Abhishek Ritab Shukla and Mr.
M.S. Chahat Raghav, Advs.

versus

IILM INSTITUTE FOR HIGHER EDUCATION & ORS.

.....Respondents

Through: Ms. Srishty Kaul and Ms. Roopsee
Pandita, Advs.

HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

JUDGEMENT

PURUSHAINDRA KUMAR KAURAV, J. (ORAL)

1. The present petition has been instituted under Section 11 of the Arbitration and Conciliation Act, 1996 (the Act) by the petitioner, seeking appointment of an Arbitrator for adjudication of disputes that have arisen between the parties arising from the Agreement dated 12.06.2019.
2. Heard learned counsel appearing on behalf of the parties.
3. Upon issuance of notice, Ms. Srishty Kaul, learned counsel appearing for the respondents, submits that the respondents have no objection to the



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appointment of an Arbitrator for resolving the disputes raised in the instant petition.

4. The Court takes note of Clause 31 of the Master Loan Agreement dated 22.08.2022, which reads as under:-

“31. Arbitration:

This agreement shall be deemed to have been made / executed at New Delhi for all purposes. In the event any dispute, controversy or claim arising out of or related to this agreement the same shall be referred for arbitration by to the chairperson of the FIRST PARTY, who shall either himself or through his nominee set as sole arbitrator to negotiate in good faith and settle amicably any disagreement that may arise out of or in relation to this Agreement. However, any unresolved issue will be dealt with in terms of Arbitration and Conciliation Act 1996.”

5. A perusal of the petition reveals that the parties entered into an Agreement dated 12.06.2019, under which the petitioner was to execute renovation, civil, and interior works as per the BOQ, and accompanying drawings, for a total consideration of Rs.36,44,298/-. Pursuant to this agreement, an advance payment of Rs.10,71,423/-, constituting 30% of the total contract value, was made to the petitioner. It is the case of the petitioner herein that, upon completion of approximately 80% of the contracted works, the respondents abruptly halted further execution and directed the petitioner to remove the material from the site, without making the subsequent payments. Consequently, the petitioner invoked arbitration under Section 21 of the Arbitration and Conciliation Act, 1996, and proposed the appointment of an Arbitrator for adjudicating the disputes. The respondents, however, rejected this proposal on 19.10.2024, compelling the petitioner to approach this Court through the present petition.

6. Considering that disputes have admittedly been arisen between the parties and the Master Loan Agreement contains a specific arbitration



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clause, this Court is inclined to refer the matter to arbitration. Moreover, the respondents have raised no objection regarding the appointment of an arbitrator for resolving the present disputes.

7. Accordingly, the Court appoints Mr. Varun Chugh, Advocate (Mobile No. +91-9988799877, Email: adv.varunchugh@gmail.com) as the Sole Arbitrator to adjudicate upon the disputes arising between the parties.

8. The Sole Arbitrator shall proceed with the arbitration proceedings after furnishing the requisite disclosures mandated under Section 12 of the Act. The Arbitrator shall be entitled to remuneration as stipulated in the Fourth Schedule of the Act or as mutually agreed upon between the parties and the Sole Arbitrator.

9. The arbitration fees and arbitral expenses shall be borne equally by the parties.

10. All rights and contentions of the parties, including any claims or counterclaims, remain expressly reserved and shall be adjudicated by the Sole Arbitrator independently and strictly in accordance with law.

11. It is clarified that any observations made herein shall not constitute as an expression of opinion by this Court on the merits of the dispute. The Registry is directed to communicate this order to the appointed Arbitrator electronically as well.

12. Accordingly, the instant petition stands disposed of, along with pending application.

PURUSHAINDRA KUMAR KAURAV, J

MARCH 25, 2025/DPA/SP

Click here to check corrigendum, if any

Signature Not Verified
Digitally Signed By:PRIYA
Signing Date: 29.03.2025
16:25:17

Signature Not Verified
Digitally Signed
By: PURUSHAINDRA
KUMAR KAURAV