



\$~3

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

+ **ARB.P. 315/2025**

**AXIS FINANCE LIMITED**

.....Petitioner

Through: Mr. Vatsal Sharma, Advocate.

versus

**SHILPA RAHUL GOVANDE**

.....Respondent

Through: None.

**CORAM:**

**HON'BLE MS. JUSTICE JYOTI SINGH**

**ORDER**

**07.08.2025**

%

1. This petition is filed on behalf of the Petitioner under Section 11(6) of the Arbitration and Conciliation Act, 1996 ('1996 Act') seeking appointment of sole Arbitrator.
2. Case set up by the Petitioner is that on 26.10.2021 a Loan Agreement was executed between the Petitioner and Respondent for availing personal loan and a sum of Rs. 6,55,687/- was disbursed to the Respondent. However, there were continuous defaults in repayment of the loan amount and Petitioner issued Non-Performing Assets Intimation Notice dated 07.06.2023 to the Respondent to pay a total sum of Rs. 5,67,289/- within 7 days. Disputes having arisen, Petitioner sent a notice dated 21.06.2024 to the Respondent under Section 21 of 1996 Act for appointment of Sole Arbitrator by mutual consent, but there was no response within 30 days from receipt of notice, compelling the Petitioner to file this petition.
3. Notice was issued in this petition to the Respondent on 19.02.2025 through all permissible modes including *dasti*. None appeared on behalf of the Respondent on 02.05.2025. Affidavit of service filed on behalf of the



Petitioner indicated that Respondent was served through e-mail, WhatsApp, speed post and courier. Noting that the Respondent was served and had chosen to remain absent, in the interest of justice adverse order was deferred for 07.07.2025, making it clear that if the Respondent was unrepresented on the said date, Court will proceed to pass the order.

4. This is the second call of the matter. None appeared for the Respondent on first call and none appears on the second call. Accordingly, Respondent is set *ex parte*. Loan Agreement between the parties contains Clause 14, which is the arbitration clause and is extracted hereunder:-

**"Arbitration:**

*(i) All disputes, differences and/or claim or questions arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect thereof or as to the right, obligations and liabilities of the parties hereunder shall be referred to and settled by arbitration, to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof; of a sole arbitrator to be nominated by the Lender, and in the event of death, unwillingness, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Lender may appoint a new arbitrator to be a sole arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be held Mumbai/Delhi.*

*(ii) Notwithstanding anything to the contrary contained herein, any dispute, controversy or claim arising out of or relating to this contract, including its construction, meaning, scope or validity thereof, shall be resolved and settled by arbitration under the Arbitration and conciliation Act, 1996 (as amended) which may be administered electronically under online Dispute Resolution (ODR), in accordance with its Dispute Resolution Rules ("Rules").*

*(iii) The parties consent to carry out the aforesaid proceedings electronically via the email addresses and/or mobile numbers as per Axis Finance records, updated from time to time'*

*(iv) The Parties agree that the aforesaid proceedings shall be carried out by a sole arbitrator appointed under the Rules. The juridical seat of arbitration shall be Delhi/Mumbai, India and the aforesaid proceedings shall be subject to the exclusive jurisdiction of the competent courts in Delhi/Mumbai, India. The language of arbitration shall be English. The*



*law governing the arbitration proceedings shall be Indian law. The decision of the arbitrator shall be final and binding on the parties."*

5. From reading of the above clause, it is evident that parties agreed to refer the disputes arising out of the Loan Agreement to arbitration and thus in view of the judgment of the Supreme Court in ***SBI General Insurance Co. Ltd. v. Krish Spinning, 2024 SCC OnLine SC 1754***, there is no impediment in this petition being allowed and a sole Arbitrator being appointed.
6. Accordingly, this petition is allowed appointing Ms. Aishwarya Singh, Advocate (Mobile No. 9899093566) as sole Arbitrator to adjudicate the disputes between the parties.
7. Arbitration proceedings will be held under the aegis of Delhi International Arbitration Centre (DIAC) and as per its Rules. Fee of the Arbitrator shall be fixed as per DIAC (Administrative Cost & Arbitrators' Fees) Rules, 2018.
8. Learned Arbitrator shall give disclosure under Section 12 of the 1996 Act before entering upon reference.
9. It is made clear that this Court has not expressed any opinion on the merits of the case and all rights and contentions of the respective parties are left open.
10. Petition is disposed of in the aforesaid terms.

**JYOTI SINGH, J**

**AUGUST 7, 2025/shivam**