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

+ **CM(M) 413/2025**

TRIPT SINGH

.....Petitioner

Through: Mr. Gaurav Gupta, Mr. Nikhil Kohli,
Mr. Kushank Garg and Ms. Saumya
Tiwari, Advs.

versus

HERO FINCORP LIMITED

.....Respondent

Through:

CORAM:

HON'BLE MR. JUSTICE RAVINDER DUDEJA

ORDER

% **03.03.2025**

CM APPL. 12414/2025 (EXEMPTION)

Allowed, subject to all just exceptions.

The application stands disposed of.

CM(M) 413/2025 & CM APPL. 12413/2025 STAY

1. The petition impugns the order dated 13.07.2024 passed in the arbitration proceedings case Ref. No. DIAC/7621/01-24 titled as "Hero Fincorp Ltd. vs. Gaganmeet Singh and Anr."
2. This Court vide order dated 15.01.2024 appointed a Sole Arbitrator to adjudicate the disputes between the parties with liberty to raise all the contentions qua the arbitrability and jurisdiction of the Arbitrator to adjudicate the dispute.
3. The application under Section 16 of the Arbitration and Conciliation Act, 1996 was filed by the petitioner before the Arbitrator on various



grounds. The application came to be dismissed vide impugned order dated 13.07.2024.

4. Learned counsel for the petitioner submits that the petitioner is a non-banking financial company, and therefore, the claim of the respondent being a non-financial company are covered by the Recovery of Debts and Bankruptcy Act, 1993 [**'RDB Act'**]. It is argued that the subject matter of the present arbitration is exclusively within the jurisdiction of Debt Recovery Tribunal, and therefore, jurisdiction of civil court/division is barred .

5. Learned counsel while referring to Section 18 of the RDB Act submitted that the said provision clearly provides that DRT has exclusive jurisdiction in relation to the matters specified in RDB Act, and therefore, the initiation of arbitration by respondent for recovery of property dues is erroneous and barred by law.

6. The learned counsel strongly places reliance on the decision of the Supreme Court in *Vidya Drolia and Others Vs. Durga Trading Corporation (2021) 2 SCC 1*, wherein it has been held that the claims covered by DRT Act are not arbitrable as there is prohibition against waiver of jurisdiction of the DRT by necessary implications.

7. The perusal of the impugned order dated 13.07.2024 reveals that such a ground was never pressed by the petitioner in its application under Section 16 of the Arbitration and Conciliation Act.

8. At this stage, the learned counsel for the petitioner prays that he may be permitted to file fresh application urging the said ground before the Arbitrator.

9. The statement made by learned counsel is taken on record and the



petitioner is granted liberty to file the application before the learned Arbitrator. Once the said application is filed, the Arbitrator shall take up the application and dispose the same as per law.

10. Petition is disposed of in terms of the aforesaid order with all the rights and contentions being kept reserved.

11. A copy of this order be given dasti under the signatures of the Court Master.

RAVINDER DUDEJA, J

MARCH 3, 2025/ib/ia