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

+ **ARB.P. 413/2025**

M/S SMAS AUTO LEASING INDIA PRIVATE LIMITED

.....Petitioner

Through: Mr. Bhuvnesh Satija, Adv.

versus

M/S KPS TRANS SOLUTIONS PRIVATE LIMITED

.....Respondent

Through: None

CORAM:

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

ORDER

09.04.2025

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1. This is a petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 ('Act of 1996') seeking seeks appointment of an Arbitral Tribunal comprising of a sole arbitrator, to adjudicate the disputes between the parties.

2. It is stated in the petition that the disputes between the parties emanate from a Master Lease Agreement dated 25.06.2019 ('Agreement'). It is stated that the said Agreement contains an arbitration clause [Clause 25.2], which provides for adjudication of disputes by arbitration. The said clause reads as under:

"25.2 Dispute Resolution:

....

ii. However, in case the dispute still persists and is not amicably resolved with the Consultation Period, both the Parties shall enter into conciliation and such proceedings shall be conducted in terms of the Arbitration and



Conciliation Act, 1996, as amended from time to time. Both Parties hereby mutually agree that conciliation proceedings shall be conducted in the most expeditious manner and completed within 3 (three) months of the expiry of the Consultation Period.

iii. In case the conciliation proceedings also fail, the dispute shall be referred to a panel of three arbitrators and the arbitration proceedings shall be conducted in terms of the Arbitration and Conciliation Act, 1996. Both Parties shall appoint one arbitrator and the two arbitrators shall appoint the Presiding Arbitrator. **The arbitration proceeding shall be conducted in English and the place of arbitration shall be New Delhi.** It is clarified that any cost associated with the arbitration shall be shared equally the Parties”

(Emphasis supplied)

3. Learned counsel for the Petitioner states since there were disputes between the parties a conciliation notice dated 01.03.2021 was sent to the Respondent as per Clause 25.2 (ii) of the agreement to settle the disputes amicably, however, as the Respondent failed to give agreement on the conciliation proceeding, therefore, the Petitioner invoked the arbitration clause i.e. clause 25.2 (iii) vide notice dated 09.05.2022.

4. He states that the said notice of invocation of arbitration was duly served upon the the Respondent via speed post and email, however, since the same has not been responded to by the Respondent, therefore, in these circumstances, the Petitioner has been constrained to approach this Court under Section 11 of the Act.

5. He states that court notice in this petition along with the scan copy of the petition was duly served by the Petitioner on the Respondent upon their e-mail address i.e. siyakp@kpslogistic.com on 24.03.2025.

6. He states that since the claim amount is a sum of Rs. 68.33 lakhs, therefore, an Advocate may be appointed as an Arbitrator. He further states Arbitrator be appointed under the aegis of the Delhi International Arbitration Centre (‘DIAC’).



7. He states that Respondent has no intention of making payments and this is evident from the fact that Respondent is not appearing today despite service.

Decision

8. This Court, vide order dated 04.03.2025 issued notice to the Respondent. As per the report of the registry Respondent have been served by the registry through the email address furnished in the memo of parties on 25.03.2025. The email address mentioned in the memo of parties corresponds to the email id mentioned on the MCA data as well as on Master Lease Agreement dated 25.06.2019 from which the disputes between the parties have arisen.

Further, an affidavit of service as well has been filed on behalf of the Petitioner wherein as noted in the submissions of the Petitioner that the Respondent has been duly served on the said email by the Petitioner as well on 24.03.2025. However, none appears on behalf of Respondent.

9. In view of the above, the Respondent is deemed to have been served.

10. In view of the fact that there is no appearance on behalf of Respondents despite service and since the existence of the Arbitration clause is evident from the perusal of the Agreement placed on record, therefore, this Court is satisfied that the parties agreed to refer disputes to arbitration and that the place of arbitration would be Delhi. Further the said clause i.e. 25.2 (iii) has been duly invoked by the Petitioner by way of notice dated 09.05.2022. Accordingly, this Court does not find any impediment to appoint a Sole Arbitrator to adjudicate the disputes between the parties.

Further, in view of the judgment of the Supreme Court in case of **Perkins Eastman Architects DPC v. HSCC (INDIA) Limited**, (2020) 20



SCC 760, **TRF Limited v. Energo Engineering Projects Limited**, (2017) 8 SCC 377 and **Bharat Broadband Network Limited v. United Telecoms Limited**, (2019) 5 SCC 755, it is incumbent upon this Court to appoint an independent Sole Arbitrator.

11. In view of the above, the disputes between the parties under the said agreement are referred to the arbitral tribunal with the following directions:

- a. Ms. Kanika Agnihotri (Mob. No. 9810980027; E-mail: kanikaagnihotri@gmail.com) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
- b. The arbitration will be held under the aegis of the Delhi International Arbitration Centre ('DIAC'). The remuneration of the learned Arbitrator shall be in terms of Schedule IV of the Act of 1996.
- c. The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the A&C Act before entering into the reference.
- d. The Petitioner shall file its statement of claim within four (4) weeks as per the rules of DIAC.
- e. It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claims and/or counter claims, any other preliminary objection, as well as claims on merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.
- f. List the matter before the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi for a preliminary hearing on 19.05.2025 at 10.30 AM.
- g. DIAC is directed to issue fresh notice to the Respondent for the hearing dated 19.05.2025.



12. With the aforesaid direction, the petition stands disposed of.
13. Needless to say, nothing in this order shall be construed as an expression of this court on the merits of the case.
14. The registry is directed to send a copy of this order to Secretary, DIAC for information and compliance and the learned Sole Arbitrator.
15. The digitally signed copy of this order, duly uploaded on the official website of the Delhi High Court, www.delhihighcourt.nic.in, shall be treated as a certified copy of the order for the purpose of ensuring compliance. No physical copy of order shall be insisted by any authority/entity or litigant.

MANMEET PRITAM SINGH ARORA, J

APRIL 9, 2025/hp/ms

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