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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 419/2025**
BRAHMA CENTER DEVELOPMENT PVT LTD

.....Petitioner

Through: Mr. Jayant Mehta, Sr. Adv. with Mr.
Sanyat Lodha, Ms. Sanjana, Ms.
Shivani Mehta & Mr. Vikramaditya
Sanghi, Advs.

versus

PVR INOX LTD

.....Respondent

Through: Mr. Arvind Nayar, Sr. Adv. with Mr.
Sahil Narang, Mr. Madhawan
Sharma, Mr. Ayushman & Mr.
Shubham Pandey, Advs.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

28.03.2025

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1. This is a petition under Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking appointment of an arbitrator.
2. In the present case, the petitioner is a developer of a mall and the entered into an Agreement to Lease dated 17.03.2017 with the respondent for running a movie theatre
3. Under the Agreement to Lease, the respondent had made payment of a security deposit.
4. Subsequently, disputes arose between the parties. The Agreement to Lease contains an arbitration clause being Clause no.20 which reads as under:

“20. GOVERNING LAW AND DISPUTE RESOLUTION



20.1. Dispute Resolution

20.1.1. If any controversy, conflict or dispute of any nature arises out of or relating to or in connection with the provisions of this Agreement ("Dispute") between the Parties, such Dispute shall be referred to and finally resolved by the Arbitration and Conciliation Act, 1996 ("Arbitration Act"), as amended from time to time. The place and seat of the arbitration shall be New Delhi, India, The Lessor, on the one hand, and the Lessee on the other hand, shall be entitled to designate 1 (one) arbitrator. The 2 (two) arbitrators appointed by the Parties shall consult with each other and agree upon the selection of the third arbitrator who shall be the presiding arbitrator. If the Parties fail to appoint an arbitrator within 30 (thirty) days from the receipt by such Party of the notice of Dispute or if the two arbitrators fail to appoint the third arbitrator within 30 (thirty) days of appointment of the second arbitrator, then such arbitrator shall be appointed under the Arbitration Act. The language of the arbitration shall be English.

20.1.2. The arbitrator shall give a reasoned decision or award, including as to the costs of the arbitration, which shall be final and binding on the Parties. The Parties agree that the arbitrator award may be enforced against the Parties to the proceedings or their assets, wherever they may be found. Any award rendered in such arbitration in New Delhi, India may be entered into any court having jurisdiction, and application may be made to such court for judicial acceptance or confirmation of such award and a judgment on the enforcement thereof.

20.1.3. The Parties shall co-operate in good faith to expedite (to the maximum extent practicable) the conduct of any arbitral proceedings commenced under this Agreement.



20.1.4. The arbitrator shall make all efforts to deliver their decision as expeditiously as possible within the time period set out in the Arbitration Act.

20.1.5. Each Party shall bear its own costs, expenses, fees, disbursements and other charges of counsel, in connection with the arbitration proceedings except as may be otherwise determined by the arbitrator.”

5. Since as per the petitioner, there were disputes between the parties, the petitioner invoked arbitration *vide* Legal Notice dated 16.01.2025.
6. After service, the respondent has filed a reply. However, the same is not on record. Copy of the reply has been handed over and the same is taken on record.
7. Mr. Nayar, learned Senior Counsel appearing for the respondent states that there is no dispute and the amount of security deposit is admitted and needs to be returned to the respondent.
8. He further states that the notice invoking arbitration is a counter blast to a notice dated 08.01.2025 issued under section 8 of IBC to the petitioner. Further, section 9 petition has already been filed and notice has been issued in the said petition.
9. I am of the view that the fact that the petitioner is disputing the claims of the respondent itself becomes a dispute and needs to be resolved through the agreed mechanism.
10. The Arbitration Clause contains reference to an Arbitral Tribunal comprising of three members. However, both parties state that in view of the amount involved, the matter may be referred to Sole Arbitration.
11. For the said reasons, the petition is allowed and the following directions are issued:-



- i) Ms. Justice Rekha Palli (Retd. Judge Delhi High Court) (Mob. No.9810012120) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
 - ii) The arbitration will be held under the aegis 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 parties shall approach the learned Arbitrator within two weeks from today.
12. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

MARCH 28, 2025/pk

Click here to check corrigendum, if any