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

+ **ARB.P. 541/2025**

RAM KANWAR GARG AND ANR

.....Petitioners

Through: Mr. Nitin Jain and Mr. Akshay Mittal,
Advocates.

versus

SHILPA JAIN

.....Respondent

Through: Mr. Rakesh Chahar, Mr. Sushant
Dahiya, Ms. Sumita Mann and Ms. Sangeeta
Dahiya, Advocates.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

27.05.2025

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1. This petition is filed on behalf of the Petitioners under Section 11(6) of the Arbitration and Conciliation Act, 1996 ('1996 Act') seeking appointment of a Sole Arbitrator to adjudicate the disputes between the parties.

2. Case of the Petitioners as set out in the petition is that a registered Lease Deed was executed and signed between the Petitioners and the Respondent on 27.02.2023 for lease of ground floor, without roof rights, of premises bearing No. 225, Block D, Pocket 14, Sector 3, Rohini, Delhi, for a term of 36 months, commencing from 01.02.2023, on a monthly rent of Rs. 95,00,000/- for the period from 01.02.2023 to 31.01.2024; rent of Rs. 1,00,000.00/- for the period from 01.02.2024 to 31.01.2025; and rent of Rs. 1,05,000.00/- for the period from 01.02.2025 to 31.01.2026, payable by the



5th day of each calendar month.

3. It is stated in the petition that Respondent repeatedly failed in paying the rent on time, as agreed and has not paid the monthly rent since September, 2024, despite multiple reminders. Additionally, water charges have also not been paid for several months. Clause 9 of the Lease Deed provides for automatic termination of the lease, while Clause 11 of the Lease Deed stipulates a notice period of one month prior to vacating the premises. Petitioners notified the Respondent of their intent to terminate the lease by legal notice dated 23.12.2024, to which a frivolous reply was sent by the Respondent. Since the Lease Deed contains an Arbitration Clause, Petitioners invoked the same by notice dated 01.02.2025 proposing arbitration under the aegis of Delhi International Arbitration Centre ('DIAC') and seeking consent of the Respondent. Notice was duly served but Respondent failed to consent to arbitration.

4. Issue notice.

5. Mr. Rakesh Chahar, learned counsel accepts notice on behalf of the Respondent and on instructions, fairly and candidly does not dispute the existence of Arbitration Clause between the parties.

6. In light of the recent judgment of the Supreme Court in ***SBI General Insurance Co. Ltd. v. Krish Spinning, 2024 SCC OnLine SC 1754***, the limited enquiry by a referral Court under Section 11(6) of 1996 Act is to ascertain the existence of Arbitration Agreement and/or whether the petition itself is barred by limitation. There is an Arbitration Clause in the Lease Deed, which the Respondent does not dispute and thus this Court finds no impediment in allowing this petition. For ease of reference, Arbitration Clause 16 is extracted hereunder:-



“16. In the event of any dispute arising under this agreement, either the said dispute will be referred to sole arbitrator whose decision will be final and binding on both the parties or the courts of Delhi shall have jurisdiction”

7. Accordingly, this petition is allowed. Learned Coordinator DIAC is requested to take steps towards appointment of a Sole Arbitrator to adjudicate the disputes between the parties. Arbitral proceedings will be held under the aegis of DIAC and as per its Rules. Fee of the Arbitrator shall be as per fee schedule of 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

MAY 27, 2025
S.Sharma