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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ O.M.P. (T) (COMM.) 50/2025 & I.A. 14902/2025
LATE SH. CHANDER SHEKHAR DHAWAN & ORS. (THROUGH
LRS)

.....Petitioners

Through: Mr. Sharma, Adv.

versus

HARSHIT DHAWAN

.....Respondent

Through: Ms. Mariya Shahab Adv.

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

ORDER
02.09.2025

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1. This is a petition filed under Section 14(1)(a) and 14(2) of the Arbitration and Conciliation Act, 1996 ("**1996 Act**") seeking declaration that the mandate of the Sole Arbitrator be terminated under Section 14(1)(a) of the 1996 Act.
2. The facts are that Late Shri Chandra Shekhar Dhawan, father of petitioner No. 1, and respondent executed a Partnership Deed dated 05.07.2014, wherein both were 50% partners of the firm by name of "M/s Dhawan Printers and Packers", which now stands dissolved. In 2019, disputes arose between the parties, and this Court appointed the Sole Arbitrator *vide* order dated 02.02.2022.
3. Since the appointment of the Sole Arbitrator, he has not decided his



legal fee for conducting the arbitration in terms of Schedule IV of the 1996 Act and parties to the arbitration have already deposited Rs.1,50,000/-, out of which Rs. 75,000/- each has been paid by both parties towards their respective share.

4. Mr. Sharma, learned counsel for the petitioners' states that Rs. 1,50,000/- has already been paid on account of fees to the Sole Arbitrator and another sum of Rs. 1,50,000/- has been asked by the Sole Arbitrator. It is further stated that the respondent has already paid his 2nd share of Rs.75,000/- towards the same but the petitioners have not paid the same. He has drawn my attention to the order dated 23.05.2024 passed by the Sole Arbitrator in this regard and the same is extracted below:-



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Pradeep Chaddah, DJS
DELHI HIGH COURT JUDICIAL SERVICE
B Com LLB, LLB, LLM
Former District & Sessions Judge, Delhi

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Harsit Dhanwan v/c Late Sd. C.S. Dhanwan thru LRs.
23-5-2024.

File has been taken up as I advocate for Respondents had sent an application followed by email seeking directions to claimant and to proceed with the matter.

This matter was pending in Hon'ble High courts for its directions.

In this case 30 sittings have already taken place. 6 applications have been disposed of by me by speaking orders. Many attempts were made by me to settle the matter, but they failed.

Respondents were asked to pay "on account" fees second installment of Rs 75000-00. Respondents have shown their reluctance to pay fees, which was sought a year ago.

As per rules of DIAC 50% of fee is payable by either party. Further if fee sought is not paid in

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30 days the proceedings are to be terminated as the case may be. Despite repeated direction Respondents have not paid "on Account" fees.

Both parties were ^{also} directed to file Provisional estimates of their individual claims. None has complied.

Let Respondents comply with direction regarding "on Account" fee in the first instance, thereafter matter shall proceed.

Paraddah

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5. It is further stated that the respondent till date has neither quantified his claims nor has he taken any steps to proceed with the matter, including submitting the required valuation report of the assets of the



firm.

6. Ms. Shahab, learned counsel appearing on behalf of the respondent states that applications have been filed by the respondent requesting appointment of a valuer to assess the assets of the firm.
7. I have heard learned counsel for the parties.
8. In the present case, the claims are arising out of the Partnership Deed dated 05.07.2014, which was executed between Late Shri Chandra Shekhar Dhawan, father of petitioner No. 1 and the respondent. Since disputes arose between the parties, this Court appointed the Sole Arbitrator while deciding the petition filed under Section 11 of the 1996 Act. However, the respondent, who is the claimant in the arbitration proceedings, has not quantified his claims. To my mind, this is the reason why the Sole Arbitrator has not quantified his fee till date.
9. In view of the same, the respondent shall quantify his claims within 4 weeks from today and thereupon, the Sole Arbitrator shall quantify his fee for conducting the arbitration in accordance with the IV Schedule of the 1996 Act. Consequently, the petitioners shall pay their share on account of fees to the Sole Arbitrator i.e. 50% of the fee, in terms of the order dated 23.05.2024.
10. Additionally, the ground raised by the petitioners does not fall within the purview of Section 14 of the 1996 Act. Section 14(1) of the 1996 Act lays down the grounds for which termination of the mandate of an Arbitrator can be sought by the parties as under: 1) the Arbitrator becomes *de jure* or *de facto* unable to perform his/her functions, 2) the Arbitrator for other reasons fails to act without undue delay, 3) the



Arbitrator withdraws from his/her office and 4) the parties agree to the termination of the Arbitrator's mandate. The grounds taken by the petitioners for termination of the Sole Arbitrator in the present petition do not fall under any of the categories as mentioned above.

11. In view of the above, the present petition seeking termination of the mandate of the Arbitrator is dismissed, as the same is not maintainable under Section 14 of the 1996 Act.
12. The parties shall cooperate with the Sole Arbitrator, and the Sole Arbitrator is requested to complete the arbitration proceedings expeditiously.
13. The petition is disposed of with pending applications, if any.

JASMEET SINGH, J

SEPTEMBER 2, 2025/sp