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

+ **ARB.P. 996/2025**

IFFCO KISAN FINANCE LTD.

.....Petitioner

Through: Mr. Sanjukta Roy, Advocate.

versus

ACTION CONSTRUCTION EQUIPMENT LTD.Respondent

Through: Mr. Neeraj Sood, Advocate.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

18.07.2025

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I.A. 16853/2025

1. Allowed, subject to all just exceptions.
2. Application stands disposed of.

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3. This petition is preferred on behalf of the Petitioner 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.

4. Case of the Petitioner is that it is a Non-Banking Financial Company providing wide range of services, including finance for purchase of tractors and farm machinery. Respondent is *inter alia* engaged in manufacture and marketing of tractors, farm equipment and construction equipment of various models. In and around December, 2021, parties mutually agreed to associated with each other to promote, market and make accessible



organized financing facility at competitive interest rates to the customers of the Respondent, pursuant to which an MoU was executed on 23.12.2021 followed by addendum dated 03.04.2023.

5. It is averred that Petitioner was nominated as preferred financier by the Respondent for financing customers for purchase of tractors manufactured by it. In terms of Clause 11 of the MoU, loan proceeds were to be disbursed by the Petitioner in favour of the Respondent or its authorized dealer, securing the delivery of the tractor and for such services, Respondent agreed to pay 1% of the loan account to the Petitioner as remuneration under Clause 12 of MoU. Disputes having arisen between the parties relating to disbursal of loans, where large number of customers of the Respondent started defaulting, Petitioner invoked the arbitration agreement and sent a notice dated 16.05.2025 under Section 21 of 1996 Act for appointment of the Arbitrator. *Albeit* Arbitration Clause 28 envisaged constitution of 3-member Tribunal, in view of the quantum of the sum in dispute as also the nature of the dispute, Petitioner proposed appointment of a Sole Arbitrator. Respondent vide its letter dated 26.05.2025 agreed for adjudication of the disputes by a Sole Arbitrator but disagreed on the names proposed by the Petitioner and in light of this, Petitioner filed the present petition.

6. Issue notice.

7. Mr. Neeraj Sood, learned counsel appearing on behalf of the Respondent accepts notice and on instructions, fairly submits that Respondent has no objection to the appointment of a Sole Arbitrator by this Court.

8. Accordingly, with the consent of the parties, Mr. Sameer Vashisht, Advocate (Mobile No. 9818280821), is appointed as the Sole Arbitrator to



adjudicate the disputes between the parties. Fee of the Arbitrator shall be fixed as per Fourth Schedule of 1996 Act.

9. Learned Arbitrator shall give disclosure under Section 12 of the 1996 Act before entering upon reference.

10. 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.

11. Petition is disposed of in the aforesaid terms.

JYOTI SINGH, J

JULY 18, 2025/shivam