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

+ **ARB.P. 1027/2025**

AXIS FINANCE LIMITED

.....Petitioner

Through: Mr. Vivek Sinha and Mr. Vivek
Malik, Advs.

versus

NAGARATHNA & ANR.

.....Respondents

Through:

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **27.10.2025**

1. This is a petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator for adjudication of disputes between the parties.
2. The facts are that the petitioner, which is a Non-banking Finance Company ("**NBFC**"), granted financial facilities to the respondents *vide* a Facility Agreement dated 11.06.2024. The petitioner sanctioned and disbursed a sum of Rs. 12 lakhs in favour of the respondents. Respondent No. 1 is the principal borrower and respondent No. 2 is the co-borrower.
3. The said Facility Agreement contained an arbitration clause being Clause No. 36 of General Terms and Conditions, which reads as under:

"36. JURISDICTION & DISPUTE RESOLUTION

Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity, or termination, shall be referred to [Arbix], an independent



arbitration institution. The arbitration will be conducted as per the then-latest version of its arbitration rules (the "Rules"), which form part of this Agreement by reference. Without limiting the general applicability of the Rules, the Parties agree as follows:

(i) Online Proceedings and Rules: All arbitration proceedings (including claim filing and appointment of arbitrator) shall take place online on <https://arbix.in>, an online arbitration platform administered by Arbix. The Rules are available at https://arbix.in/arbitration_rules.

(ii) Fast Track Procedure: The arbitration shall be conducted in accordance with the fast-track procedure specified in section 29B of the Arbitration and Conciliation Act, 1996 (the "Arbitration Act"), and the award will be rendered, without any oral hearings, on the basis of pleadings, supporting documents, written arguments and any other written material that is properly before the arbitrator in terms of the Arbitration Act and the Rules.

(iii) Number of Arbitrators: The dispute shall be resolved by one arbitrator appointed in accordance with the Rules.

(iv) Governing Law: The law governing this arbitration agreement shall be the law of India

(v) Seat of Arbitration: The seat of arbitration shall be Delhi/Mumbai but all proceedings shall take place as stated above in sub-clause (i).

(vi) Language: The arbitration proceedings shall be conducted in English.

(vii) Confidentiality: The arbitration proceedings and all



information disclosed during the process shall remain confidential, except as required by law or for the purpose of enforcing the award.

(viii) Data Processing: The Parties agree that Arbix may process the information and documents submitted during the arbitration process for the purposes of arbitrator discipline, quality checks, and compliance with Rules and applicable laws. This processing is necessary to maintain the integrity and quality of the arbitration service.

(ix) Finality of Award: The award rendered by the arbitrator shall be final and binding on the parties, and the parties agree to be bound thereby and to act accordingly.”

4. Respondents mortgaged their property i.e., SY No. 21/27 D2, PID No. 15260020220020048, Property No. as per GP Record 381, Hosadu Village, Dakshina Kannada, Karnataka, 576247 as a security for repayment of the loan amount.
5. Since disputes arose between the parties, the petitioner invoked arbitration *vide* legal notice dated 25.04.2025 and thereafter, filed the present petition.
6. Since the debt amount is below Rs. 20 lakhs, the petitioner cannot initiated recovery under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“**SARFAESI Act**”).
7. The respondents have been duly served. However, despite service there is nobody appearing on behalf of the respondents.
8. I am satisfied that there is a valid arbitration clause and disputes between the parties which need to be adjudicated through arbitral



mechanism.

9. For the said reasons, the petition is allowed, with the following directions:

- i) Mr. Kunal Sharma, Adv. (Mob. No. 9910200911) 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 petitioner shall approach the learned Arbitrator within two weeks from today.

10. The present petition is disposed of accordingly.

JASMEET SINGH, J

OCTOBER 27, 2025/DM