



\$~5

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

+ **ARB.P. 1028/2025**

AXIS FINANCE LIMITED

.....Petitioner

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

versus

MINABEN NATVARLAL PATEL & ORS.

.....Respondents

Through:

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **27.10.2025**

1. This is a petition filed under Section 11 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 30.08.2023. The petitioner sanctioned and disbursed a sum of Rs. 4,93,688/- 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. 29 of General terms and Conditions, which reads as under:

"29. JURISDICTION & DISPUTE RESOLUTION

XXXXXXXX

(c) Notwithstanding sub-clause (a) above, the Lender may, at its option, choose to settle any disputes which may arise out of or in



connection with this Agreement by referring the same to arbitration in accordance with the (Indian) Arbitration and Conciliation Act, 1996 as amended from time to time. The arbitral tribunal shall comprise of a sole arbitrator appointed by the Lender. The arbitration shall be held at Mumbai and/or Delhi, as may be determined by the Lender and the proceedings of such arbitration shall be conducted in English. The Parties hereby agree that the decision of the arbitrators shall be final and binding. The Parties hereby also agree that the cost of the arbitration proceeding shall be borne by the Borrower.

(d) Notwithstanding anything to the contrary contained herein, any dispute, controversy or claim arising out of or relating to this contract, including its construction, meaning, scope or validity thereof, shall be resolved and settled by arbitration under the Arbitration and Conciliation Act, 1996 (as amended) which may be administered electronically under Online Dispute Resolution (ODR), in accordance with its Dispute Resolution Rules ("Rules").

XXXXXXXX

(f) The parties agree that the aforesaid proceedings shall be carried out by a sole arbitrator appointed under the Rules. The judicial seat of arbitration shall be Delhi/Mumbai, India and the aforesaid proceedings shall be subject to the exclusive jurisdiction of the competent courts in Delhi/Mumbai, India. The language of arbitration shall be English. The law governing the arbitration proceedings shall be Indian law. The decision of the arbitrator shall be final and binding on the parties."



4. Respondents mortgaged their property i.e., Default Residential, VALSAD, Gujarat, 396001 / Residential -C.S. no 630, Moje. Valsad, Tal. Valsad, Nr. Bhramadev temple, VALSAD, Gujarat, 396001, as a security for the repayment of the loan.
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. As per the Affidavit of Service, the respondents have been duly served through e-mail and speed post. 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