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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 1090/2025**
SG FINSERVE LIMITED

.....Petitioner

Through: Mr. Ankush Bhardwaj, Mr. Shikhar
Gupta, Mr. Vedant Rawat, Advs.

versus

SADHAN DHAL PROPRIETOR THE RISE AND ANR..... Respondents
Through:

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **13.10.2025**

1. This is a petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an arbitrator to adjudicate the disputes between the parties.
2. The brief facts are that the respondent No. 1 availed working capital line of credit from the petitioner. A Sanction Letter dated 28.09.2023 was issued in favour of the respondents, pursuant to which a Facility Agreement dated 05.10.2023 for an amount of Rs. 75,00,000/- was executed. Respondent No. 1 is the principal borrower and respondent No. 2 is the guarantor.
3. The said Facility Agreement contains an arbitration clause being clause No. 18, which reads as under:

“18. ARBITRATION

18.1. If any dispute, difference or claim arises between any of the Obligors and the Lender in connection with the Facility or as to the interpretation, validity, implementation or effect of the Facility Documents or as to the rights and liabilities of



the parties under this Agreement or alleged breach of the Facility Documents or anything done or omitted to be done pursuant to the Facility Documents, the same shall be settled by arbitration to be held in Delhi in accordance with the Arbitration and Conciliation Act, 1996, or any statutory amendments thereto and shall be referred to a sole arbitrator to be appointed by the Lender. The award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be in English language. Cost of arbitration shall be borne by the Borrower.

18.2. Notwithstanding anything contained in Clause 18.1 above, the Lender shall be entitled to refer the dispute to the Debts Recovery Tribunal under the Recovery of Debts Due to Lenders and Bankruptcy Act, 1993 and shall also be entitled to enforce the Security under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act), where applicable.”

4. Since there were disputes between the parties, the petitioner invoked arbitration *vide* legal notice dated 03.06.2025 and thereafter, filed the present petition.
5. As per affidavit of service, the respondents have been served. Despite service, there is nobody appearing on behalf of the respondents today.
6. I am satisfied that there is a valid arbitration clause and the disputes between the parties need to be adjudicated through arbitral mechanism.
7. For the said reasons, the petition is allowed and the following



directions are issued:-

- i) Ms. Rajul Jain (Advocate) (Mob. No. 9868224103) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
 - ii) The arbitration will be held under the aegis and rules 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.
8. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

OCTOBER 13, 2025/sp