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

+ **ARB.P. 1279/2024**

MONEYWISE FINANCIAL SERVICES PVT LTDPetitioner

Through: Ms. Mehvish Khan, Mr. Aman
Choudhary and Ms. Arunima Singh
Jadaun, Advocates

versus

RAAS CHEMICALS THROUGH ITS PROPRIETOR AND ORS
.....Respondents

Through:

CORAM:
HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER
10.01.2025

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1. The present petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 by the Petitioner seeking appointment of an Arbitrator to adjudicate upon the disputes which have arisen between the Parties under the Loan Agreement dated 31.08.2018 entered into between the parties.
2. Notice in the petition was issued on 20.08.2024. On 07.10.2024, Mr. Syed Nooruzzama, learned Counsel has appeared on behalf of Respondents No.1 to 3 and sought some time to file his *vakalatnama*. Time was given to the learned Counsel for the Respondents No.1 to 3 to file a reply and *vakalatnama* and the matter was adjourned to 25.11.2024.
3. On 25.11.2024, the case could not reach and the matter was adjourned to 13.12.2024. On 13.12.2024 also, the case could not reach in view of the



Special Bench matters and the matter was adjourned to today.

4. The office report indicates that the Respondents No.1 to 3 has been served through e-mail and that is the reason why there is appearance on behalf of the Respondents No.1 to 3 on 07.10.2024.

5. After 07.10.2024, there is no appearance on behalf of the said Respondents and the reply has yet not been filed. The service is therefore complete.

6. It is stated that under the Loan Agreement dated 31.08.2018, a sum of Rs.10.00 lacs was advanced to the Respondent. It is stated that the Respondents breached the terms and conditions of the said Loan Agreement and defaulted in payment of the money. It is stated that the said Loan Agreement has been recalled.

7. Since the Respondents defaulted in payment of the loan amount, a notice under Section 21 of the Arbitration and Conciliation Act, 1996 invoking arbitration was issued on 15.07.2024. Since there was no response to the said notice, the Petitioner has approached this Court for appointment of an Arbitrator.

8. Clause 10.1 of the Loan Agreement dated 31.08.2018 contains an arbitration clause, which reads as under:-

“10. 1 Arbitration

Any disputes, differences, controversies and questions directly or indirectly arising at any time hereafter between the Parties or their respective representatives or assigns, arising out of or in connection with this Agreement (or the subject matter of this Agreement), including, without limitation, any question regarding its existence, validity, interpretation, construction, performance, enforcement, rights and liabilities of the



Parties, or termination ('Dispute'), shall be referred to a sole arbitrator duly appointed by the Lender. The language of the arbitration shall be English. The seat of the arbitration shall be at New Delhi and the language of proceedings shall be English. The award rendered shall be in writing and shall set out the reasons for the arbitrator's decision. The costs and expenses of the arbitration shall be borne equally by each Party, with each Party paying for its own fees and costs including attorney fees, except as may be determined by the arbitration tribunal. Any award by the arbitration tribunal shall be final and binding."

9. Clause 10.1 of the Loan Agreement dated 31.08.2018 shows that the seat of the arbitrator shall be at New Delhi and therefore, this Court has the jurisdiction to entertain the instant petition.

10. In view of the fact that disputes have arisen between the Parties and the Loan Agreement dated 31.08.2018 contains arbitration clause, this Court is inclined to appoint an Arbitrator to adjudicate upon the disputes between the Parties.

11. Accordingly, Mr. Sukrit Sethi, Adv. (Mob. No.9871167778) is appointed as an Arbitrator to adjudicate upon the disputes between the Parties.

12. The arbitration would take place under the aegis of the Delhi International Arbitration Centre (DIAC) and would abide by its rules and regulations. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

13. The learned Arbitrator is also requested to file the requisite disclosure under Section 12(2) of the 1996 Act within a week of entering on reference.

14. All rights and contentions of the parties in relation to the



claims/counter-claims are kept open, to be decided by the learned Arbitrator on their merits, in accordance with law.

15. Needless to say, nothing in this order shall be construed as an expression of this Court on the merits of the contentions of the parties.

16. The present petition stands disposed of in the above terms along with pending application(s), if any.

SUBRAMONIUM PRASAD, J

JANUARY 10, 2025

RJ