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

+ **ARB.P. 1137/2025**

SH. KAILASH CHAND SATI

.....Petitioner

Through: Appearance not given

versus

M/S S-TECH HOTELS AND RESORT INDIA PVT. LTD. & ANR.

.....Respondents

Through: Mr. Sudhir K. Saneja, Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

16.10.2025

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1. This is a petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996 ("**1996 Act**") seeking appointment of an Arbitrator for adjudication of disputes between the parties.
2. The facts are that the petitioner and the respondent entered into an Agreement to Sell and Purchase dated 27.12.2021 ("**Agreement**") for sale of a piece of land admeasuring 9120 sq. meter situated in the Village Bailpadav, Pargana Bhawar Kota, Tehsil Kala-Doongi, District Nainital. The sale consideration was fixed at Rs. 7,15,00,000/- and the petitioner had paid a sum of Rs. 1 crore at the time of entering into the Agreement.
3. The said Agreement contains an arbitration clause being Clause No. 4, which reads as under:



“4. That in case of any dispute arising out of the present agreement, the same shall be referred to Arbitrator, to be appointed mutually or if in case the parties failed to appoint the Arbitrator mutually, the parties shall approach the Hon’ble Delhi High Court for seeking appointment of Arbitrator and the decision of the Arbitrator shall be final and binding upon both the parties and the Ld. Arbitrator shall be entitled to pass the order for seeking Specific Performance to the terms of the present agreement.”

4. Since disputes arose between the parties, the petitioner invoked arbitration *vide* legal notice dated 16.05.2025 and thereafter, filed the present petition.
5. Mr. Saneja, learned counsel for the respondents appears through Video Conferencing mode and states that a reply has been filed. However, the same is not on record.
6. Mr. Saneja, learned counsel, in his arguments has raised 3 objections.
7. Firstly, he states that in the reply dated 25.01.2023 to the notice sent by the respondent, the petitioner had taken a stand as under:

“1. That your notice under reply is unwarranted, illegal and against the provisions, and terms and conditions of the agreement dated 27.12.2021 executed on 29.12.2021 relied upon by you in the notice under reply. It is pertinent to mentioned that the agreement is unregistered and without any attestation and as such the agreement so relied upon by you is not enforceable in the eyes of law, hence the notice is liable to be withdrawn.”



8. He states that once the petitioner itself states that the Agreement is not enforceable in the eyes of the law, the present petition cannot lie.
9. Secondly, he states that the legal notice dated 16.05.2025 invoking arbitration was never served upon the respondent as the same was returned due to being sent at an incorrect address.
10. Thirdly, he states that there is no arbitrable dispute between the parties, as the respondent is ready and willing to sell the property in terms of subsequent mutual understanding dated 13.08.2025.
11. As regards the first objection is concerned, I am not able to agree with the same. The Agreement contains an arbitration clause and the petitioner is seeking for adjudication all its claims/ rights under the said arbitration clause. The referral Court is only required to see the existence of an arbitration agreement and hence, I am not to go into merits pertaining to validity or enforceability of the Agreement.
12. Moving to the second objection regarding delivery of legal notice invoking arbitration at incorrect address. As per the Agreement, the address of the respondent is shown as Plot No. 2A, Khasra No. 56/10, Block-B, Gopal Nagar, Najafgarh, Delhi – 110043.
13. The legal notice under Section 21 of the 1996 Act has been sent to the same address, except the pin code is wrongly mentioned as “110042” in place of “110043.” The Return Memo of the said legal notice does not show that no such address exists, but only a remark i.e., “*No Such Person*” is mentioned. Additionally, the purpose of the legal notice under Section 21 of the 1996 Act is to crystallize the demands of the party invoking arbitration and the same has been done in the present petition.



14. As regards third objection, the same lies in the exclusive domain of the Arbitrator and cannot be the subject matter before the referral the Court.
15. In view of the aforesaid, I am satisfied that there exists valid arbitration agreement and disputes between the parties which need to be adjudicated through arbitral mechanism.
16. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) Mr. Sanjeev Ralli (Senior Advocate) (Mob. No. 9811087093) 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 1996 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 parties shall approach the learned Arbitrator within two weeks from today.



17. In case the parties desire, they may approach Delhi High Court Medication Centre and/ or the Sole Arbitrator for mediation before proceeding with the matter on merits.
18. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

OCTOBER 16, 2025/sp