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

+ **ARB.P. 1327/2025**

AXIS FINANCE LIMITED

.....Petitioner

Through: Mr. Vivek Sinha, Mr. Vivek Malik,
Ms. Akshita Khasia, Advocates.

versus

DHARMENDRA SONU PAWASKAR & ANR.Respondents

Through: None.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

ORDER

16.10.2025

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1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter 'Act') seeking appointment of a Sole Arbitrator for the adjudication of the disputes between the parties arising out of the Facility Agreement dated 17th October, 2019 (hereinafter 'Agreement') entered into between the parties in terms of which the petitioner had disbursed a sum of Rs. 10,39,020/- in favour of the respondents.

2. Counsel for the petitioner states that the aforesaid Agreement contains an arbitration clause, i.e. Clause 28, which provides for adjudication of any disputes arising between the parties by way of arbitration. For ease of reference, Clause 28 of the Agreement is set out below:



28. JURISDICTION & DISPUTE RESOLUTION

- (a) The Terms of Facility shall be governed by the laws of India and shall be subject to the exclusive jurisdiction of courts and tribunals in Mumbai and / or Delhi, to settle any disputes, which may arise out of, or in connection with, this Indenture and that, accordingly, any legal action, suit or proceedings arising out of, or in connection with, the Terms of Facility may be brought in those courts and tribunals and the Borrower irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts and tribunals.
- (b) Nothing contained in this Clause shall limit any right of the Lender to take any proceedings in any court or tribunal of competent jurisdiction, nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction whether concurrently or not and the Borrower irrevocably submits to, and accepts, generally and unconditionally, the jurisdiction of such courts and tribunals, and the Borrower irrevocably waives any objection it may have now or in the future on the ground of an inconvenient forum.
- (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 parties in accordance with the directions of the Arbitrator.
- (d) Without prejudice to the generality of the clause, the lender shall have the right to seek remedies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as applicable, and/or the Recovery of Debts and Bankruptcy Act, 1993 (DRT Act) in the event the legal status of the Lender changes

or the law is amended or made to enable the Lender to proceed to recover dues from the Borrower under the DRT Act, in relation to its rights under the Finance Documents. Provided, however, that neither any such change in legal status of Lender nor change in law referred to hereinabove, shall invalidate an existing award passed by the arbitral tribunal pursuant to sub-clause (b) above

3. He further states that since the respondents started making defaults in the repayment of the loan amount, the petitioner sent a notice dated 24th June, 2025 to the respondents invoking the aforesaid arbitration clause under Section 21 of the Act. No reply to the aforesaid notice has been received by the petitioner on behalf of the respondents.
4. An affidavit of service has been filed on behalf of the petitioner, in terms of which the respondents have been served through courier and speed post.
5. As per the report of the Registry, respondent no. 1 has been served through WhatsApp.
6. None appears on behalf of the respondents despite advance service.
7. Notice was issued on 28th August, 2025.
8. Accordingly, the dispute between the parties under the aforesaid Agreement is referred to the Arbitral Tribunal comprising a Sole Arbitrator.



9. Ms. Satakshi Sood, Advocate (Mob. No. +91-8278812103) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.

10. The following directions are issued in this regard:

- i. The Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference. In the event there is any impediment to the Arbitrator's appointment on that count, the parties are given liberty to file an appropriate application before this Court.
- ii. The remuneration of the Arbitrator shall be in terms of Schedule IV of the Act.
- iii. The parties shall approach the Arbitrator within two (2) weeks from today.

11. It is made clear that all the rights and contentions of the parties, including the arbitrability of any of the claims and/or counter claims, any other preliminary objection, as well as claims on merits of the dispute of either of the parties, are left open for adjudication by the Arbitrator.

12. The petition stands disposed of in the aforesaid terms.

13. Needless to state, nothing in this order shall be construed as an expression of this Court on the merits of the case.

AMIT BANSAL, J

OCTOBER 16, 2025

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