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

\+ ARB.P. 1357/2025

AVERY DENNISON (INDIA) PRIVATE LIMITED .....Petitioner

Through: Mr. Manish Dembla, Mr. Nachiketa Goyal, Mr. Rohit Prakash Advs.

versus

MR. RISHI RAJ JAIN .....Respondent

Through: None

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **10.10.2025**

1. This is a petition filed under Section 11(5) read with Section 11 (6) 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 and respondent entered into a Lease Agreement dated 24.05.2018 in respect of land and premises comprising a built-up commercial complex situated in the revenue estate of Village Narsinghpur, Sub-Tehsil Kadipur, District Gurugram, Haryana. The monthly rent payable by the petitioner was Rs. 26,69,820/- plus Good and Service tax ("***GST***"). The respondent raised monthly invoices for the rent and GST, which were duly paid by the petitioner. The petitioner accordingly claimed input tax credit on the GST paid to the respondent.

3. The petitioner received a show-cause notice dated 31.05.2024 issued by the GST department stating that it had wrongly availed input tax credit for the period April 2019 to March 2020 as the respondent had not deposited the GST. Subsequently, the petitioner received another show-cause notice dated

26.11.2024 informing that the GST registration of the respondent had already been cancelled on 01.09.2018 and despite the same the respondent issued invoices with GST. Hence, accordingly, the petitioner has availed input tax credit the period April 2020 to September 2020.

4. The said show cause notices culminated into orders dated 22.08.2024 and 21.02.2025 directing recovery of the ineligible input tax credit from the petitioner along with interest and penalty.

5. In order to mitigate the damages, the petitioner paid ineligible input tax credit component pertaining to the order dated 22.08.2024 under the GST Amnesty Scheme to avoid interest and penalty.

6. Thereafter, the petitioner sent an email dated 20.03.2025 to the respondent, followed by a detailed legal notice dated 27.03.2025, calling upon him to make payment to the petitioner towards the applicable GST along with interest and penalty. However, the respondent did not reply to these communications.

7. Since disputes arose between the parties, the petitioner invoked arbitration *vide* legal notice dated 05.06.2025 and thereafter, filed the present petition.

8. The respondent has been duly served. However, despite service there is nobody appearing on behalf of the respondent.

9. I am satisfied that there is a valid arbitration agreement between the parties and there are disputes which need to be adjudicated through arbitration mechanism.

10. For the said reasons, the petition is allowed and the following directions are issued:-

i) Mr. Raj Panjwani (Senior Advocate) (Mob. No. 9810306138) 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.

11. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

OCTOBER 10, 2025/AS