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

+ **ARB.P. 1670/2024**

MONEYWISE FINANCIAL SERVICES PVT LTDPetitioner

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

versus

**JERATH PATH LABS THROUGH ITS PROPRIETOR DR
PRASHANT JERATH AND ANR**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 29.12.2022 entered into between the Petitioner and the Respondents.

2. It is stated that the Respondent No.1 is a sole proprietorship firm and Dr. Prashant Jerath is the proprietor and the Respondent No.2 is mother of Respondent No.1. It is stated that the Respondent No.2, stood as Guarantor/co-borrower/co-applicant in her personal capacity in the Loan Agreement dated 29.12.2022. It is stated that the loan amount of Rs.50,44,645/- was disbursed to the Respondents in terms of the said Loan Agreement.

3. Since the Respondents breached the terms and conditions of the Loan Agreement dated 29.12.2022, a notice under Section 21 of the Arbitration and Conciliation Act, 1996 invoking arbitration was issued on 28.08.2024. It



is stated that the Loan Agreement dated 29.12.2022 has been recalled.

4. It is stated that notice in the petition was issued on 21.10.2024. The service report indicates that the service has been affected at the address given in the petition. The affidavit of service has also been filed by which the Respondents have been served through speed post and courier. The tracking report has also been filed along with the affidavit of service.

5. In view of the above, the service stands complete.

6. Today, there is no appearance on behalf of the Respondents.

7. Since the Respondents failed to respond to the said notice, the Petitioner has approached this Court by filing the instant petition for appointment of an Arbitrator.

8. Clause 8.2 of the Loan Agreement dated 29.12.2022 contains an arbitration clause, which reads as under:-

“8. 2 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. In view of the fact that disputes have arisen between the Parties and the Loan Agreement dated 29.12.2022 contains arbitration clause, this Court is inclined to appoint an Arbitrator to adjudicate upon the disputes between the Parties.

10. Accordingly, Ms. Amrita Panda, Advocate (Mob. No.9910668787) is appointed as an Arbitrator to adjudicate upon the disputes between the Parties.

11. 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.

12. 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.

13. 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.

14. 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.

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

SUBRAMONIUM PRASAD, J

JANUARY 10, 2025

RJ