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

+ **ARB.P. 1884/2024**

AXIS FINANCE LTD

.....Petitioner

Through: Mr. Shikhar Gupta, Ms. Vanshika
Garg and Ms. Pragun Bagla, Advocates.

versus

KALPANA PARAMESH UPPALAPATI AND ANR

.....Respondents

Through: None.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

11.09.2025

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1. This petition is filed on behalf of the Petitioner under Section 11(6) of Arbitration and Conciliation Act, 1996 ('1996 Act') seeking appointment of a Sole Arbitrator to adjudicate the disputes between the parties.
2. Petitioner avers that Respondent No. 1 approached the Petitioner for availing loan facility of Rs. 40 lakhs on 23.02.2022, which was sanctioned and the loan was disbursed against a formal agreement executed on the same day. Respondents were required to repay the loan in monthly installments of Rs.68,137/-, payable on or before 05th of every calendar month in a period of 84 months. However, the borrowers started defaulting in paying the loan from 16.01.2024 onwards and Recall/Demand Notice was issued by the Petitioner calling upon the Respondents to pay the outstanding dues.
3. It is averred in the petition that on 03.10.2024 Petitioner sent a notice invoking arbitration to the Respondents calling upon them to repay a sum of Rs. 37,82,223/- along with interest from the date of default failing which they should consent to appointment of an Arbitrator, however, there was no



response and Petitioner is compelled to approach this Court.

4. Affidavit of service has been filed on behalf of the Petitioner stating that Respondents have been served through WhatsApp as well as through e-mail on e-mail ID taken from the statement of account of the Petitioner, as provided by Respondent No.1. This is the second call of the matter. None appears for the Respondents. Even on the first call there was no appearance. Accordingly, Respondents are set *ex parte*.

5. Loan Agreement dated 23.02.2022 contains Arbitration Clause 14 envisaging reference of disputes arising out of the loan facility to arbitration. For ready reference, the arbitration clause is extracted hereunder:-

“14. Arbitration:

(i) All disputes, differences and/or claim or questions arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect thereof or as to the right, obligations and liabilities of the parties hereunder shall be referred to and settled by arbitration, to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof, of a sole arbitrator to be nominated by the Lender, and in the event of death, unwillingness, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Lender may appoint a new arbitrator to be a sole arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be held Mumbai/Delhi.

(ii) Notwithstanding anything to the contrary contained herein, any dispute, controversy or claim arising out of or relating to this contract, including its construction, meaning, scope or validity thereof, shall be resolved and settled by arbitration under the Arbitration and Conciliation Act, 1996 (as amended) which may be administered electronically under Online Dispute Resolution (ODR), in accordance with its Dispute Resolution Rules (“Rules”).

(iii) The parties consent to carry out the aforesaid proceedings electronically via the email addresses and / or mobile numbers as per Axis Finance records, updated from time to time.

(iv) The parties agree that the aforesaid proceedings shall be carried out by a sole arbitrator appointed under the Rules. The juridical seat of



arbitration shall be Delhi/Mumbai, India and the aforesaid proceedings shall be subject to the exclusive jurisdiction of the competent courts in Delhi/Mumbai, India. The language of arbitration shall be English. The law governing the arbitration proceedings shall be Indian law. The decision of the arbitrator shall be final and binding on the parties.”

6. Learned counsel for the Petitioner submits that in light of the judgments of the Supreme Court in ***Perkins Eastman Architects DPC and Another v. HSCC (India) Limited, (2020) 20 SCC 760*** and ***Central Organisation for Railway Electrification v. ECI SPIC SMO MCML (JV) A Joint Venture Company, (2025) 4 SCC 641***, appointment by the lender under the arbitration clause will be unilateral appointment and hence, this Court may appoint a Sole Arbitrator.

7. Accordingly, Mr. Akarsh Pandey, Advocate (Mobile No. 7752897337) is appointed as the Sole Arbitrator to adjudicate the disputes between the parties. Fee of the Arbitrator shall be fixed as per Fourth Schedule of 1996 Act.

8. Learned Arbitrator shall give disclosure under Section 12 of the 1996 Act before entering upon reference.

9. It is made clear that this Court has not expressed any opinion on the merits of the case and all rights and contentions of the respective parties are left open.

10. Petition is disposed of in the aforesaid terms.

JYOTI SINGH, J

SEPTEMBER 11, 2025

S.Sharma