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

\# **CNR No. DLHC010048582026**

\+ ARB.P. 263/2026

M/S VATIKA BUSINESS CENTRES PRIVATE LIMITED

.....Petitioner

Through: Mr. Aayush Rai, Mr. Abhijeet Gupta, Advs.

versus

M/S PADAYYAPPAN PROGRESS FUND .....Respondent

Through: None.

CORAM:
HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT(ORAL)

% 01.10.2026

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996[1] seeking appointment of a Sole Arbitrator for adjudication of the disputes arising out of the Business Centre Agreement dated 01.07.2024 executed between the parties.

2. The Petitioner is engaged in the business of providing business centre facilities. The Respondent approached the Petitioner for availing of business centre facilities at Vatika Business Centre, Chennai. Pursuant thereto, the parties entered into the aforesaid Business Centre Agreement, whereby the Respondent took Business Suite No. S-4 in consideration of payment of the licence fee.

3. In terms of the agreement, as per the Petitioner, the Respondent was liable to pay the license fee, service charges, utilities, applicable

[1] "Act" hereinafter

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taxes and other allied charges.

4. The disputes between the parties arise out of the Respondent's alleged failure to pay the licence fee and other contractual dues despite its continued use of the business centre facilities.

5. It is stated that despite repeated reminders, the outstanding dues remained unpaid. Accordingly, the Petitioner invoked the arbitration clause contained in Clause 40 of the Agreement by issuing a notice dated 13.08.2025 under Section 21 of the Act. The relevant arbitration clause is reproduced hereinbelow:-

> *"40. This Agreement is governed as per laws of India. However, in the event of any dispute between the Parties hereto, the same shall be referred to arbitration to be presided over by a mutually appointed sole arbitrator to be appointed jointly by the Licensor and the Licensee and the arbitration proceedings shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The arbitration proceedings shall be held in Gurgaon. The language of the arbitration and the award shall be English. This Agreement shall be subject to the jurisdiction of the courts in the Courts of New Delhi shall have exclusive jurisdiction to hear and decide any matter pertaining to this Agreement."*

6. On the last occasion, this Court passed the following order:-

> "*1.* ***Mr. Sabrish Subramanium, learned Counsel appearing for the Respondent seeks and is granted two weeks' time to file a reply****.*
> *2. Rejoinder, if any, be filed within one week thereafter.*
> *3. List on 01.10.2026.*
> *4.* ***It is made clear that no further adjournment shall be granted on the next date of hearing on any ground whatsoever."***

7. Today, the matter is called out twice. However, none appeared

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on behalf of the Respondent.

8. In view of the above, it is clear that the Respondent has sufficient notice of the present petition. Despite the same, neither has the reply been filed nor has anyone appeared on behalf of the Respondent.

9. Accordingly, this Court is constrained to proceed *ex-parte*.

10. It is well settled that while exercising jurisdiction under Section 11 of the Arbitration and Conciliation Act, 1996, the scope of enquiry is confined to examining the *prima facie* existence of an arbitration agreement[2].

11. In the present case, there is no dispute with regard to the existence of a valid arbitration agreement. In the aforesaid circumstances, this Court finds no impediment in appointing a Sole Arbitrator.

12. Accordingly, Ms. Sarika Mehta, Advocate, (Mob. No. 9654612375) is appointed as a learned Sole Arbitrator to adjudicate the disputes arisen between the parties. The learned Sole Arbitrator shall enter upon the reference within three weeks from today.

13. The learned Sole Arbitrator will proceed to the arbitration proceedings subject to furnishing requisite disclosures as required under Section 12(2) of the Act within three weeks of entering

[2] **SBI General Insurance Co. Ltd. v. Krish Spinning 2024 SCC OnLine SC 1754**

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reference.

14. The arbitration shall be carried under the rules and aegis of Delhi International Arbitration Centre ("DIAC"). The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

15. It shall be open to the parties to raise all pleas, including objection as to arbitrability and jurisdiction, before the learned Sole Arbitrator who shall decide the same in accordance with law.

16. It is clarified that the observations made herein are only for the purpose of deciding the present petition under Section 11(6) of the Act. The learned Sole Arbitrator shall adjudicate the disputes with claims and counter claims independently and on their own merits, uninfluenced by any observations contained in the present order.

17. The Registry is directed to send a receipt of this order to Ms. Sarika Mehta, learned Arbitrator through all permissible modes including email.

18. Accordingly, the present petition is disposed of in the above terms.

OM PRAKASH SHUKLA, J

OCTOBER 1, 2026/at

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