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

\# **CNR No. DLHC010242682026**

\+ ARB.P. 962/2026 & I.As. 14949-50/2026

WEAVERSINDIA LLP .....Petitioner

Through: Ms. Herinder Kaur Brar, Mr, Devesh Mishra and Mr. Nitish Kumar, Advocates.

versus

THE NEW INDIA ASSURANCE COMPANY LIMITED .....Respondent

Through: Mr. J.P.N Shahi and Mr. Shikhar Prakash, Advocates.

CORAM:
HON'BLE MR. JUSTICE PRATEEK JALAN

O R D E R

% 08.10.2026

1. By way of this petition under Section 11 of the Arbitration and Conciliation Act, 1996 ["the Act"], the petitioner seeks appointment of an arbitrator to adjudicate disputes between the parties under a '*Standard Fire and Special Perils Policy*' dated 27.07.2020. The policy was applicable from 27.07.2020 to 26.07.2021.

2. I have heard Ms. Herinder Kaur Brar, learned counsel for the petitioner, and Mr. J.P.N. Shahi, learned counsel for the respondent.

3. The Policy contains an arbitration clause [Condition 13], which provides for disputes, with regard to the quantum to be paid thereunder, to be referred to a sole arbitrator. Failing agreement on the sole arbitrator,

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the disputes were to be referred to a panel of three arbitrators.

4. The petitioner made a claim under the policy on 20.06.2022 for approximately Rs. 3.57 crores. The respondent has made two payments against the said claim – of Rs. 9,49,768/- and Rs. 1,58,25,74/-. In respect of the balance of the petitioner's claim, it invoked arbitration by a notice dated 19.11.2025, and issued a reminder on 26.12.2025.

5. According to the petitioner, these notices failed to elicit a response, which has led to filing of the present petition.

6. The only ground of opposition urged by Mr. Shahi is that the respondent had made payments under the policy, which were duly accepted by the petitioner, and the petitioner had issued discharge vouchers thereunder. Copies of the two discharge vouchers both dated 29.09.2025 have been placed on record with the respondent's reply.

7. This issue need not detain us, in the facts of the present case, as the discharge vouchers relied upon by the respondent themselves expressly refer to the fact that payment has been made "*in part satisfaction*" of the petitioner's claims. The text of the discharge vouchers is identical except for the amount and policy number, and reads as follows:

> "*Dear Sir/Madam,*
>
> *I/we hereby acknowledge receipt of Rs. xxxxxx from the New India Assurance Company Limited* ***in part payment settlement of my claim*** *under Policy No. xxxxxxxxx held by M/s Weavers India LLP (Formerly Known as M/s Weavers India)*
>
> ***I agree that the receipt of abovementioned amount is in Part satisfaction and discharge of part claims present or future insured under above Policy Number in respect of Fire Loss (nature of loss) which warranted loss/damage/accident on 12-07-2021 (date of loss).***
>
> *Please transfer the payment favoring Weavers India LLP (Insured name)*

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in Bank Account No. 3143-787-1074 Bank Name State Bank of India (Copy of cancelled cheque is enclosed)"[1]

8. It is evident from the above that the petitioner did not accept the amounts paid by the respondent in full and final settlement of its dues. The dispute as to quantum is expressly arbitrable under Condition 13 of the Policy, and the petitioner is therefore entitled to appointment of an arbitrator.

9. Learned counsel for the parties agree that the disputes be referred to a sole arbitrator, under the aegis of the Delhi International Arbitration Centre ["DIAC"].

10. Having regard to the above submission, the present petition is disposed of with the following directions:

a. Mr. J.R. Aryan, a retired officer of the Delhi Higher Judicial Services [Tel: 9958697034], is appointed as the sole arbitrator to adjudicate the disputes between the parties arising out of the Policy dated 27.07.2020.

b. The arbitration will be held under the aegis of DIAC, and will be governed by the Rules of DIAC, including as to the remuneration of the learned Arbitrator.

c. The learned Arbitrator is requested to furnish the requisite declaration under Section 12 of the Act, prior to entering upon the reference.

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

12. Needless to say, all rights and contentions of the parties, including as to the arbitrability and maintainability of the claims and on merits, are

[1] Emphasis supplied.

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left open for adjudication by the learned Arbitrator.

PRATEEK JALAN, J

OCTOBER 8, 2026
'B'/KA/

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