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

+ **ARB.P. 1293/2025**

**M/S PAISALO DIGITAL LIMITED (FORMERLY KNOWN AS S.
E. INVESTMENTS LIMITED)**Petitioner

Through: Mr. Harshal Kumar, Advocate.

versus

M/S OBRA DEVELOPERS PVT. LTD. & ORS.Respondents

Through: Mr. Rishabh Raj Swroop, Advocate
for R2 and R3.

CORAM:

HON'BLE MR. JUSTICE VIKAS MAHAJAN

ORDER

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19.05.2026

1. The present petition has been filed by the petitioner under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter 'the Act') seeking appointment of Arbitrator to adjudicate the disputes between the parties under a Loan Agreement.
2. The agreement provides for the resolution of disputes between the parties by way of arbitration. Clause 26 of the Lease Deed is an arbitration clause. The venue and seat of arbitration has been mentioned as Delhi.
3. An objection has been raised by Mr. Rishabh Raj Swaroop, learned counsel for the respondent, to the effect that the mandate of the learned Arbitrator was subsisting till August, 2025 and the present application seeking fresh appointment of an Arbitrator is not maintainable. He contends that in case the Arbitrator already appointed had not conducted the



proceedings, the remedy available was to seek termination of his mandate under Section 14 of the Act.

4. In support of his submission, he has placed reliance on the decision of the Hon'ble Supreme Court in ***Swadesh Kumar Aggarwal v. Dinesh Kumar Agarwal and Ors., etc., Civil Appeal Nos. 2935-2938 of 2022***, wherein the Hon'ble Supreme Court in Para 8 has observed as under:

“Even otherwise, once the arbitrator was appointed by mutual consent and it was alleged that the mandate of the sole arbitrator stood terminated in view of section 14(1)(a) of the Act, 1996, the application under section 11(6) of the Act, 1996 to terminate the mandate of the arbitrator in view of section 14(1)(a) of the Act shall not be maintainable. Once the appointment of the arbitrator is made, the dispute whether the mandate of the arbitrator has been terminated on the grounds set out in section 14(1)(a) of the Act, shall not have to be decided in an application under section 11(6) of the Act, 1996. Such a dispute cannot be decided on an application under section 11(6) of the Act and the aggrieved party has to approach the concerned “court” as per subsection (2) of section 14 of the Act. In the case of Antrix Corporation Limited (supra) in para 31 and 33, it is observed and held as under:

“31. The matter is not as complex as it seems and in our view, once the arbitration agreement had been invoked by Devas and a nominee arbitrator had also been appointed by it, the arbitration agreement could not have been invoked for a second time by the petitioner, which was fully aware of the appointment made by the respondent. It would lead to an anomalous state of affairs if the appointment of an arbitrator once made, could be questioned in a subsequent proceeding initiated by the other party also for the appointment of an arbitrator. In our view, while the petitioner was certainly entitled to challenge the appointment of the arbitrator at the instance of Devas, it could not do so by way of an independent proceeding under Section 11(6) of the 1996 Act. While power has been



vested in the Chief Justice to appoint an arbitrator under Section 11(6) of the 1996 Act, such appointment can be questioned under Section 13 thereof. In a proceeding under Section 11 of the 1996 Act, the Chief Justice cannot replace one arbitrator already appointed in exercise of the arbitration agreement.

33. Subsection (6) of Section 11 of the 1996 Act, quite categorically provides that where the parties fail to act in terms of a procedure agreed upon by them, the provisions of subsection (6) may be invoked by any of the parties. Where in terms of the agreement, the arbitration clause has already been invoked by one of the parties thereto under the ICC Rules, the provisions of subsection (6) cannot be invoked again, and, in case the other party is dissatisfied or aggrieved by the appointment of an arbitrator in terms of the agreement, his/its remedy would be by way of a petition under Section 13, and, thereafter, under Section 34 of the 1996 Act.”

(emphasis supplied)

5. Confronted with above exposition of law, learned counsel for the petitioner seeks to withdraw the present petition with liberty to file an appropriate petition.
6. The petition is dismissed as withdrawn with liberty as aforesaid.

VIKAS MAHAJAN, J

MAY 19, 2026/jg