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

+ **ARB.P. 1995/2025**

AXIS FINANCE LIMITED

.....Petitioner

Through: Mr. John Mathew, Advocate (through
VC)

versus

CHANDANSINGH GOVINDSINGH MEHTA & ANR.

.....Respondents

Through: Mr. Gaurav Patel, Advocate

CORAM:

HON'BLE MS. JUSTICE MINI PUSHKARNA

ORDER

22.01.2026

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1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (**“Arbitration Act”**), thereby, seeking appointment of a Sole Arbitrator for adjudication of the disputes between the parties, arising out of the Loan Agreement dated 21st February, 2023 (**“Loan Agreement”**).

2. The petitioner, i.e., Axis Bank Limited, had provided a personal loan of Rs. 30,16,981/- along with interest rate at 14% per annum, to the respondents, which was to be repaid in eighty-four (84) equal monthly installments., as per the terms of the Loan Agreement.

3. Learned counsel for the petitioner submits that the respondents were irregular in making repayments during the tenure of the Loan Agreement,



and made their first default in payment on 05th October, 2023, and thereafter, the respondents had been making continuous defaults in payment. Therefore, the petitioner issued a notice dated 13th November, 2024 under Section 21 of the Arbitration Act, thereby, invoking the arbitration under Clause 14 of the Loan Agreement, to resolve the disputes between the parties.

4. It is submitted that, no reply was made to the said notice for invoking arbitration by the respondents.

5. It is submitted that on account of the continuous default of payments and as per the statement of account maintained by the petitioner, the respondents are liable to make payments to the tune of Rs. 28,39,333/- as on 12th November, 2024.

6. This Court notes that the Loan Agreement contains an arbitration clause, i.e., Clause 14, which reads as under:

“xxx xxx xxx

“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.

xxx xxx xxx”

7. Learned counsel appearing for the respondents does not dispute the arbitration clause, i.e., Clause 14 of the Loan Agreement. He submits that the respondents are making all endeavors to pay back the money.

8. This Court is satisfied that there exists a valid arbitration clause and there are disputes between the parties which are to be adjudicated through arbitral mechanism.

9. However, considering the submissions made before this Court, this Court is of the view that in the first instance, the matter can be referred to mediation, before reference to an Arbitrator.

10. Learned counsels appearing for the parties give their no objection to the same.

11. Accordingly, considering the submissions made before this Court, the following directions are issued:

- i. The matter is referred to Delhi High Court Mediation and Conciliation Centre, to be listed before the mediator on 30th January, 2026.
- ii. In case the matter is not resolved through the process of mediation within a period of eight weeks from the first meeting with the



Mediator, the present matter shall be referred and continued before the Arbitrator.

- iii. Mr. Rajeev K. Garg, Advocate, (Mob: 9815610806) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
 - iv. The Arbitrator shall enter reference only if the mediation process between the parties has failed.
 - v. The parties shall approach the Arbitrator within two (2) weeks of the finalization of the mediation process, in case the mediation process fails.
 - vi. The remuneration of the Arbitrator shall be in terms of Schedule IV of the Arbitration Act.
 - vii. The Arbitrator is requested to furnish a declaration in terms of Section 12 of the Arbitration Act prior to entering into the reference. In the event there is any impediment to the Arbitrator's appointment on that count, the parties are given liberty to file an appropriate application before this Court.
 - viii. It shall be open to the respondent to raise counter-claims, if any, in arbitration proceedings.
 - ix. It is made clear that all the rights and contentions of the parties, including, the arbitrability of any of the claims and/or counter-claims, any other preliminary objection, as well as claims on merits of the dispute of either of the parties, are left open for adjudication by the learned Arbitrator.
7. Needless to state, nothing in this order shall be construed as an expression of this Court on the merits of the case.
8. The petition is disposed of in the aforesaid terms.



9. A copy of this order shall be sent to Delhi High Court Mediation and Conciliation Centre, forthwith.

MINI PUSHKARNA, J

JANUARY 22, 2026

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