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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**# **CNR No. DLHC010404932026**+ **ARB.P. 1545/2026 & I.A. 23666/2026****MEENAKSHI**

.....Petitioner

Through: **Mr. Ajay Pal Singh, Adv.**

versus

INDIAN OIL CORPORATION LIMITED AND ANR

.....Respondent

Through: **Mr. Amit Meharia, Ms.
Tannishtha Singh, Mr. Vibhor
Victor, Advs.****CORAM:****HON'BLE MR. JUSTICE OM PRAKASH SHUKLA****JUDGMENT(ORAL)**% **22.09.2026**

1. This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996¹ seeking appointment of an Arbitrator for resolving the disputes arising out of the Memorandum of Agreement dated 13.11.1996², whereby the Petitioner was appointed a distributor of the Respondent.

2. The Petitioner is aggrieved by the termination of this Agreement.

3. On the other hand, the learned Counsel for the Respondent objects the present petition on the grounds of limitation.

¹ "Act" hereinafter

² "Agreement" hereinafter



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4. In this regard, this Court of the considered view that while exercising jurisdiction under Section 11 of the Act, the scope of enquiry is confined to examining the *prima facie* existence of an arbitration agreement.

5. In the present cases, there is no dispute with regard to the existence of a valid arbitration clause between the parties. The relevant Clause 37 of the Agreement containing the arbitration agreement is as follows:

“37. (a) Any dispute or difference of any nature whatsoever any claim, cross-claim counter claim or set off o the corporation against the distributor or regarding any right liability, act omission or account of any of the parties hereto arising out of or in relation to this agreement shall be referred to the sole arbitration of the director (marketing) of the corporation or of some office of the corporation who may be nominated by the Director (Marketing). The distributor will not be entitled to raise any objection to any such arbitration on the ground that the arbitration is an officer of the corporation or that he has dealt with the matters to which the contract relates or that in the course of his duties as an officers of the corporation, he had expressed view on all or any other matters in dispute or difference. In the event of the arbitrator to whom the matter is originally referred being transferred or vacating his office or being unable to act of rainy reasons, the director (marketing) as aforesaid at the time of such transfer, vacation of office or inability to act may in the discretion of the Director (marketing) designate another person to act as arbitrator in accordance with the terms of the agreement to the end and intent that the original arbitrator shall be entitled to continue the arbitration proceedings notwithstanding his transfer or vacation of office or inability of original : arbitrator. Such persons shall be entitled to proceed with the reference from the point at which it was left by his predecessor. It is also a term of this contract that no person other than the director (marketing) or a person nominated by such director (marketing) of the corporation as aforesaid shall act as arbitrator hereunder. The award of the arbitrator so appointed shall be final conclusive and binding on all parties to the agreement subject to the provisions of the Arbitration Act, 1940 or any statutory modification or re-enactment thereof and the rule made thereunder for the time being in force shall apply to the



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arbitration proceedings under this clause.

(b) The award shall be made in writing and published by the arbitrator within two years after entering upon the reference or within such extended time not exceeding further twelve months as the sole 'arbitrator shall by a writing under his own hands appoint. The parties hereto shall be deemed to have irrevocably give their consent to the Arbitrator to make and publish the award within the period referred to hereinabove and shall not be entitled to raise any objection or protest thereto under any circumstances whatsoever.

(c) The arbitrator shall have power to order and direct either of the parties to abide by observe and perform all such directions as the arbitrator may think fit having regard to the matters in difference i.e. dispute before him. The arbitrator shall have all summary powers and may take such evidence oral and/or documentary, as the arbitrator in his absolute i discretion thinks fit and shall be entitled to exercise all powers under the Indian Arbitration Act 1940 including admission of any affidavit as evidence concerning the I matter in difference i.e. dispute before him.

(d) The parties against whom the arbitration proceedings have been initiated, that is to say, the respondents in the proceedings shall be entitled to prefer a cross claim, counter claim or set off before the arbitration in respect of any mater in issue arising out I of or in relation to the agreement without seeking a formal reference or arbitration to the director (marketing) for such-counter claim, cross claim, or set of and the arbitrator shall be entitled to consider and I deal with the same as if the matters arising therefrom has been referred to him originally and deemed to form part of the reference made by the Director (marketing).

(e) The arbitrator shall be at liberty to appoint, if necessary any accountant or engineering or other technical person to assist him, and to act by the opinion so taken.

(f) The arbitrator shall have power to make one or more awards whether interim or otherwise in respect of the dispute and difference and in particular will be entitled to make separate awards in respect of claims or cross claims of the parties.

(g) The arbitrator shall be entitled to direct any one of the parties to pay the cost of the other party is such manner and to such extent s the arbitrator may in his dissertation demine and shall also be entitled to require one or both the parties to deposit funds in such proportion to meet the arbitrator's expenses whenever called upon



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to do so.

(h) The parties hereby agree that the courts in the alone shall have jurisdiction to entertain city of____alone shall have jurisdiction to entertain any application or other proceedings in respect of anything arising under this agreement and any award or awards made by the sole arbitrator hereunder shall be filled in the concerned courts in the city of only”.

6. In the aforesaid circumstances, this Court finds no impediment in appointing a Sole Arbitrator.

7. Accordingly, Mr. Kartikay Sharma, Advocate (Mob. 9811297200) 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.

8. 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 reference.

9. 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.

10. 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.



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11. 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.

12. The Registry is directed to send a receipt of this order to Mr. Kartikay Sharma, learned Arbitrator through all permissible modes including email.

13. Respondents are at liberty to raise preliminary objection with respect to arbitrability, jurisdiction and limitation before the learned Arbitrator, if any, which shall be decided by the learned Arbitrator in accordance with law.

14. Accordingly, the present petition is disposed of in the above terms. Pending application(s), if any, also stand disposed of.

OM PRAKASH SHUKLA, J

SEPTEMBER 22, 2026/at