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

+ **ARB.P. 496/2024**

CLIX CAPITAL SERVICES PVT. LTD.Petitioner
Through: **Mr. Puneet Raj, Advocate.**

versus

DR. RATANMANI SAHOO, & ANR.Respondents
Through: **None.**

CORAM:
HON'BLE MR. JUSTICE PRATEEK JALAN

% **ORDER**
13.09.2024

1. The petitioner has filed the present petition under Section 11 of the Arbitration and Conciliation Act, 1996 ["the Act"], for appointment of a sole arbitrator to adjudicate disputes between the parties under a Facility-Cum-Hypothecation Agreement dated 29.11.2021 and an undated Deed of Guarantee.
2. The Facility-Cum-Hypothecation Agreement was entered into between the petitioner and respondent No. 1, whereunder the petitioner advanced a loan to respondent No. 1. Respondent No. 2, who is the wife of respondent No. 1, executed the Deed of Guarantee in favour of the petitioner, in connection with the same transaction. Both the Facility-Cum-Hypothecation Agreement and the Deed of Guarantee contain arbitration clauses, which provide for adjudication of disputes by a sole arbitrator. New Delhi has been designated as the venue of the arbitration



proceedings.

3. Disputes having arisen between the parties, the petitioner invoked the arbitration clause by a communication dated 07.03.2024 and proposed names of three arbitrators. However, no consent was received from the defendants.

4. It is in these circumstances that the petitioner has filed the present petition under Section 11 of the Act.

5. Notice was issued in this petition on 16.04.2024. The order of the learned Joint Registrar dated 10.09.2024 records that the respondent Nos. 1 and 2 refused to accept notice on 20.08.2024 and 21.08.2024, respectively. It is also recorded that they have been served at the same email addresses which are mentioned in the agreements. The learned Joint Registrar has, therefore, recorded that the respondents have been duly served.

6. At the stage of proceedings under Section 11 of the Act, the Court is only required to satisfy itself *prima facie* as to the existence of an arbitration agreement between the parties. Having regard to Clause 8.7 of the Facility-Cum-Hypothecation Agreement executed between the petitioner and respondent No. 1, and Clause 10 of Deed of Guarantee executed between the petitioner and respondent No. 2, I am *prima facie* satisfied that an arbitration agreement exists between the parties.

7. The petition is, therefore, allowed and the disputes between the parties under the Facility-Cum-Hypothecation Agreement dated 29.11.2021 and an undated Deed of Guarantee are referred to arbitration of Ms. Priyanka Goswami, Advocate [Tel:- 9899073664]. The arbitration will be held under the aegis of Delhi International Arbitration Centre,



Delhi High Court, Shershah Road, New Delhi-110503 [“DIAC”], and will be governed by the Rules of DIAC, including as to the remuneration of the learned Arbitrator.

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

9. It is made clear that all rights and contentions of the parties are left open for adjudication by the learned Arbitrator.

10. The petition stands disposed of in these terms.

PRATEEK JALAN, J

SEPTEMBER 13, 2024
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