



2024:DHC:6486



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**+ **ARB.P. 626/2024****INDIABULLS HOUSING FINANCE LTD.Petitioner**

Through: Mr. Vibhu Tripathi and Mr.
Siddharth Nayak, Mr. Raghav Khanna &
Mr. Sagar Devgan, Advocates.

versus

VENKATESH SRINIVASA AND ANRRespondents

Through: None

CORAM:**HON'BLE MR. JUSTICE C. HARI SHANKAR****JUDGMENT (ORAL)**% **23.08.2024**

1. This is a petition under Section 11(6) of the Arbitration and Conciliation Act 1996¹ for reference of disputes between the parties to arbitration.

2. The dispute arises in the context of a Loan Agreement dated 29 August 2015, executed between the petitioner and the respondents. The Loan Agreement envisages resolution of the disputes by arbitration and the relevant clause in that regard reads thus:

“ARTICLE: 14-ARBITRATION

14.1 This Loan Documents is/shall be governed by Indian laws and the courts at New Delhi shall have exclusive jurisdiction relating to any matter/ issue under or pursuant to the Loan Documents. Notwithstanding anything to the contrary, if any dispute/disagreement/differences ("Dispute") arise between the

Signature Not Verified¹ "the 1996 Act" hereinafter

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Parties (including any Borrower(s)) during the subsistence of the Loan Documents and/or thereafter, in connection with, inter alia; the validity, interpretation, implementation and/or alleged breach of any provision of the Loan Documents, jurisdiction or existence/appointment of the arbitrator or of any nature whatsoever, then, the Dispute shall be referred to a sole arbitrator who shall be appointed by IHFL only. In any circumstance, the appointment of the sole arbitrator by IHFL shall be and shall always deemed to be the sole means for securing the appointment/nomination of the sole arbitrator, without recourse to any other alternative mode of appointment of the sole arbitrator. The place of the arbitration shall be New Delhi or such other place as may be notified by IHFL and the arbitration proceedings shall be governed by the Arbitration & Conciliation Act, 1996 (or any statutory re-enactment thereof, for the time being in force) and shall be in the English language. The award shall be binding on the Parties subject to the applicable laws in force and the award shall be enforceable in any competent court of law.”

3. The petitioner addressed a notice to the respondents under Section 21 of the 1996 Act on 5 February 2024, seeking reference of the disputes between the parties to arbitration.

4. Despite service of notice on the respondents, no reply has been filed and no one has appeared on behalf of the respondents to contest this petition.

5. The Supreme Court has emphasized the need to dispose of petitions under Section 11 of the 1996 Act, seeking appointment of an arbitrator, expeditiously. Moreover, with the recent decision of the Supreme Court in *SBI General Insurance Co Ltd v. Krish Spinning*² all that the Court is required to examine under Section 11(6) of the 1996 Act is whether there exists an arbitration agreement between the parties and whether the petition under Section 11(6) has been filed

² 2024 SCC OnLine SC 1754



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within three years of the Section 21 notice. Both these conditions stand satisfied in the present case.

6. Accordingly, this Court appoints Mr. R. Gowrishankar, Advocate (Tel. 9999046948) as the Arbitrator to arbitrate on the dispute between the parties.

7. The learned arbitrator shall be entitled to charge fees as per the Fourth schedule of the 1996 Act.

8. The learned arbitrator is also requested to file requisite disclosure under Section 12(2) of the 1996 Act within a week of entering on the reference.

9. The petition stands allowed in the aforesaid terms.

C. HARI SHANKAR, J

AUGUST 23, 2024/yg

Click here to check corrigendum, if any

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