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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 102/2025**

BIZLOAN PRIVATE LIMITEDPetitioner
Through: Appearance not given

versus

MR. KUTBUDDIN BADRUDINN ANSARI & ANR.Respondent
Through: Appearance not given

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

ORDER
17.03.2025

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1. This is a petition filed under section 11(5) of the Arbitration and Conciliation Act, 1996 seeking appointment of a Sole Arbitrator for adjudication of disputes between the parties arising out of the Facility Agreement dated 18.12.2019.
2. The arbitration clause is Clause 20 of the said Agreement and the same reads as under:

“20. ARBITRATION AND JURISDICTION

20.1 Any and all disputes, claims, differences arising out of or in connection with this Agreement and the Schedule/s attached hereto or the performance of this Agreement shall be settled by arbitration to be referred to a sole arbitrator to be appointed by BIZLOAN and the award thereupon shall be binding upon the Parties to this Agreement. The place of the arbitration shall be in Delhi or any other place as Arbitrator may decide, In accordance with the provisions of the Arbitration and Conciliation Act, 1996



and any statutory amendments thereof. The proceeding of Arbitration tribunal shall be conducted in English language. Each Party shall bear cost of representing its case before the Arbitrator. Costs and charges of Arbitrator to be shared equally unless otherwise provided for in the award.”

3. Since there were disputes between the parties, the petitioner invoked arbitration in terms of clause 20 *vide* legal notice dated 30.09.2024.
4. The facts are that the petitioner is a non-banking financial corporation and during the course of its business, had granted financial facilities to the tune of Rs 25 lakhs to respondent nos. 1 and 2. At the time of securing the loan facility, the parties entered into the Facility Agreement dated 18.12.2019. As per the Facility Agreement, the respondent No. 1 is the borrower No. 1 and the respondent No 2 is the borrower No. 2.
5. Since the respondent failed to adhere to the terms of the repayment of the said loan transaction, the petitioner on 08.07.2021 recalled the Loan Facility and served notice under Section 21 of The Arbitration and Conciliation Act, 1996. Subsequently, the petitioner appointed an arbitrator and arbitration proceedings were commenced.
6. The respondent did not appear in the arbitration proceedings and an *ex parte* Arbitral Award came to be passed on 31.10.2022, however the same was inexecutable in view of the judgment passed by the Hon'ble Supreme Court in ***Perkins Eastman Architects DPC & Ors. vs. HSCC (India) Ltd.*** (2020) 20 SCC 760.
7. The petitioner has thereafter, issued a fresh legal notice under section 21 of the Arbitration and Conciliation Act, 1996 on 30.09.2024. Since no response has been received, the present petition has been filed.



8. In the present petition, notice to the respondents was issued on 16.01.2025. As per the service report, the respondents have been served through E-Mail on their common Mail ID i.e. qutbuamsari248@gmail.com. The said E- Mail ID is also indicated in the Facility Agreement.

9. Despite the service of notice, there is nobody appearing on behalf of the respondents. I am satisfied that there is a valid arbitration clause under the Financial Facility Agreement and there are disputes subsisting between the parties.

10. For the said reasons, the petition is allowed and the following directions are issued:-

- i) Mr. Pradeep Gahlot, (Adv.) (Mob. No. 9810004838) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
- ii) The arbitration will be held under the aegis of the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi (hereinafter, referred to as the 'DIAC').
- iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators' Fees) Rules, 2018.
- iv) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
- v) It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claim, any other preliminary objection, as well as claims/counter-claims and merits of the dispute of either of



the parties, are left open for adjudication by the learned arbitrator.

vi) The parties shall approach the learned Arbitrator within two weeks from today.

11. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

MARCH 17, 2025/sp

Click here to check corrigendum, if any