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

+ **ARB.P. 352/2025**

CAPARI GLOBAL HOUSING FINANCE LIMITEDPetitioner

Through: **Ms. Shweta Kapoor, Advocate**

versus

MR PRAVEEN SHARMA & ORS.Respondents

Through: **Mr. Naveen Kumar, Advocate**

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER

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22.07.2025

1. This is a petition under Section 11(6) of the Arbitration & Conciliation Act, 1996 for appointment of an Arbitrator for adjudicating the disputes which have arisen between the parties under the loan agreement dated 27.01.2023.

2. Material on record indicates that the Petitioner had advanced a loan of Rs.61,76,369/- to the Respondents. It is stated that since the Respondents have defaulted in payment of the money, the account of the Respondents was declared as NPA by the Petitioner on 29.07.2024. Thereafter, a loan-cum-recovery notice was issued on 19.10.2024 which is also a notice under Section 21 of the Arbitration & Conciliation Act, 1996.

3. Notices were sent to the Respondents through speed post. Since the Petitioner did not receive any reply from the Respondents, the Petitioner has approached this Court by filing the present petition seeking appointment of an Arbitrator.

4. Clause 11(m) of the loan agreement contains an arbitration clause. The arbitration clause is reproduced as under:-



“11. MISCELLANEOUS

.....

m. Arbitration and other dispute resolutions mechanism applicable:

i. Any dispute in connection with the interpretation, performance, termination of this Agreement and (or the other Facility Documents, or otherwise in connection with this Agreement/ Facility ("Dispute") shall be referred to arbitration under the Arbitration and Conciliation Act, 1996, as may be amended from time to time, or any re- enactment thereof, of a sole arbitrator to be nominated by the Lender or any other applicable laws as may be notified/ amended by the virtue of which the Lender shall have the right to enforce this Agreement and other Facility Documents.

ii. The arbitration proceedings shall be conducted at Mumbai or Delhi or any other location as the Lender may elect, in the English language.

iii. The arbitral award shall be final and binding on the Parties, and enforceable in accordance with its terms. The arbitrators shall state reasons for their findings in writing. The Parties agree to be bound thereby and to act accordingly.”

5. The seat of the arbitration as per the arbitration clause is either at Mumbai or Delhi. Since the Respondents reside in Delhi, the seat of arbitration shall be New Delhi.

6. It is the case of the Respondents that the entire loan agreement is a fraud. This Court while exercising its jurisdiction under Section 11 of the Arbitration Act can go into the question of existence of an arbitration clause and all other arguments can be raised by the learned Counsel for the Respondents before the learned Arbitrator.

7. The second argument raised by the learned Counsel for the



Respondents is that the notice under Section 21 of the Arbitration Act has not been received by the Respondents.

8. Material on record indicates that the speed post has been sent on the address of the Respondent. The notices sent by this Court have also been sent on the very same address and the argument of the learned Counsel for the Respondents that notice issued under Section 21 of the Arbitration Act has not been received by the Respondents cannot be accepted.

9. In view of the fact that disputes have arisen between the parties under the loan agreement containing an arbitration clause, this Court is inclined to appoint an Arbitrator to adjudicate the disputes between the parties.

10. Accordingly, Mr. Siddharth Iyer, Advocate (Mob: 9871131856) is appointed as the Sole Arbitrator to adjudicate the disputes between the parties.

11. The arbitration would take place under the aegis of the Delhi International Arbitration Centre (DIAC) and would abide by its rules and regulations. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

12. The learned Arbitrator is also requested to file the requisite disclosure under Section 12(2) of the Arbitration & Conciliation Act within a week of entering into the Reference.

13. All rights and contentions of the parties in relation to the claims/counter-claims are kept open, to be decided by the learned Arbitrator on their merits, in accordance with law.

14. With these observations, the petition is disposed of along with pending application(s), if any.

SUBRAMONIUM PRASAD, J

JULY 22, 2025/hsk