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

+ **ARB.P. 729/2024**

**M/S INDIABULLS HOUSING FINANCE LTD .....Petitioner**

Through: Mr Raghav Khanna, Mr. Siddharth  
Nayak and Mr. Shakti Bhatia,  
Advocates

versus

**MR. KAPIL BAJAJ AND ANR. ....Respondents**

Through: None

**CORAM:**

**HON'BLE MR. JUSTICE JASMEET SINGH**

**ORDER**

**20.03.2025**

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1. This is a petition seeking filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator to adjudicate the disputes between the parties.
2. The petitioner and respondents entered into a Loan Agreement, wherein the petitioner disbursed a loan amount of Rs. 34 lakhs to the respondent against the equitable mortgage of property situated at Flat No - 606, 6th Floor, Liberete Tower, Omaxe North Avenue, Village Sankhol & Bahadurgarh, Section 15, Distt- Jhajhar, Bahadurgarh- 124510, Haryana.
3. Respondent Nos. 1 and 2 are co-borrowers.
4. Since the respondents defaulted in making payment, the loan was recalled and proceedings under SARFAESI Act were initiated.
5. Mortgaged assets were auctioned for a sum of Rs. 22,07,000/-.



However, despite initiating SARFAESI proceedings, the outstanding towards the petitioner is about Rs. 21 lakhs.

6. The Loan Agreement contained arbitration clause being Article 11 which reads as under:

**“ARTICLE 11: ARBITRATION**

*That the Borrower and IHFL agree that agreement shall be construed in accordance with the laws in force in India and in the event that any dispute or difference should arise on any matter relating to or arising out of the present agreement the same shall be referred to the Sole Arbitration of an arbitrator to be appointed by IHFL whose decision shall be final and binding upon the parties. The sole Arbitrator shall conduct the arbitration proceedings at New Delhi/Delhi. It is also mutually agreed between the parties that IHFL would be entitled to invoke the present arbitration agreement even after IHFL would have recalled the Loan/terminated the contract for any reason whatsoever. It is also agreed between the parties that arbitration proceeding would be conducted in English only and in no other language.”*

7. The petitioner invoked arbitration through legal notice dated 27.03.2024.

8. The respondents have been served through service of publication in Hindustan Time and Dainik Jagaran and the affidavit of service has been filed.

9. Since there are amounts outstanding despite conclusion of SARFAESI proceedings, I am satisfied that the present petition is maintainable.

10. For the said reasons, the petition is allowed and the following



directions are issued:-

- i) Mr. Rajnish Kumar Jha, Advocate (Mob. No. 8800690988) 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 20, 2025/DM**

*Click here to check corrigendum, if any*