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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 740/2024, I.A. 23653/2025**
INDIABULLS HOUSING FINANCE LTDPetitioner
Through: Mr. Devansh Dua, Adv.
versus

DUCT MASTER INDIA PVT.LTD AND OTHERSRespondents
Through: Mr. Adarsh Priyadarshi, Mr. Jatin Choudhary, Mr. Apoorv Shankar, Ms Sandhya, Mr.Hariom, Advs. for R-1 to 3
Mr. Suyash Pandey, Mr.Vishwajeet Pandey, Advs. for R-4

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

22.12.2025

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1. This is a petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 ("**Act**") seeking appointment of an Arbitrator for adjudication of disputes.
2. The brief facts of the case are that respondent No. 2 & respondent No. 3 on behalf of respondent No. 1 jointly entered into Loan Agreement dated 28.12.2015 with the petitioner for the purchase of property bearing Villa No. 17 at the Grancarmen Address Sarajapur Road, Bangalore Karnataka-562125 from M/s India Build Villas Development Pvt. Ltd. ("**Build Villa**"), who was also the guarantor, for total loan amount Rs.2,26,56,942/-. Though, the respondent Nos. 1 to 3 were the borrowers, the loan was directly released in favour of respondent No.4 and a Tripartite Agreement was executed between the petitioner No.1, respondent no.1 and Build Villa.



3. In the event of default under the Loan Agreement, Build Villa was to pay the balance total sale consideration directly to the petitioner. It is the case of the petitioner that in view of cancellation of Agreement, Build Villa has already paid Rs.2,12,93,222/-.
4. In the present case, the Loan Agreement between the respondent No.1 to 3 and petitioner contains the arbitration clause being Clause No. 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. II 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.”

5. Since there were disputes between the parties, the petitioner invoked arbitration vide legal notice dated 02.02.2024.
6. The amounts arising out of the Loan Agreement are still due and



payable to the petitioner.

7. Despite opportunity, no reply has been filed either by respondent Nos. 1 to 3 nor Build Villa.
8. In the present case, since there is Guarantee Agreement executed by the Build Villa, it is the responsibility of the Build Villa to clear the loan amount. Whether any amounts are liable to be paid at all or liable to be paid by Build Villa are questions which the Arbitrator will decide. Therefore, I am of the view that the Build Villa is a veritable party to the dispute.
9. For the said reasons, the petition is allowed and the following directions are issued: -
 - i) Mr. Utkarsh (Advocate) (Mob. No. 9871926153) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
 - ii) The arbitration will be held under the aegis and rules 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.

10. The Court at the reference stage, has only taken a *prima facie* view and it will be open to Build Villa to file an application for deletion which shall be considered by the Arbitrator in accordance with the law. The present petition is disposed of in the aforesaid terms.
11. The name of the petitioner shall be read as Sammaan Capital Limited.

JASMEET SINGH, J

DECEMBER 22, 2025

Pallavi