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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 2146/2024**
MANAV CHAWLA & ORS.

.....Petitioner

Through: Mr. Vaibhav Arora, Mr. Manav
Chawla, Advs.

versus

IIFL HOME FINANCE LIMITED & ORS.

.....Respondent

Through: Mr. Niraj Kumar, Mr. Gopal Jha, Mr.
Mr. Abhishek Tomar, Advs.
Mr. Mayank Goel and Mr. Diganta Das, Adv.
Mr. Kapil Madan and Mr. Saurabh Gauba, Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

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25.07.2025

1. This is a petition filed under section 11 of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator for adjudication of disputes between the parties.
2. The facts are that the petitioners entered into an Apartment Buyer Agreement dated 26.10.2016 with the respondent No. 2 for the purchase of flat bearing No. Flat No. K-406, 4th floor, Tower-K, Godrej Summit, Sector-104, Gurugram-12001. The petitioners entered into a Loan Agreement on the same date in respect of the aforementioned flat for Rs. 1 crore and got the flat financed through the respondent No. 1. The respondent No. 1 had disbursed a loan of Rs. 93,34,778/- to the respondent No. 2 directly towards the flat.
3. A Tripartite Agreement dated 26.10.2016 was entered between the



petitioners, respondent Nos. 1 and 2. The respondent No. 2 cancelled the flat *vide* cancellation letter dated 14.09.2018.

4. On 15.06.2019, the petitioners issued legal notice to the respondent No. 2 for cancellation of allotment and thereafter, filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 against the respondent No. 2 on 31.07.2019.
5. During the pendency of the proceedings, the parties arrived at settlement on 25.09.2019 signed by the petitioners and the respondent No. 2.
6. The said Settlement contained the arbitration clause being clause No. 8 which reads as under:-

“8. That it is expressly agreed between the parties that in case of any dispute touching or concerning this Agreement, the same shall be resolved by a sole arbitrator duly appointed by the Hon’ble High Court of Delhi at New Delhi in terms of the Arbitration and Conciliation Act 1996 or any repeal thereof; and since, this transaction has taken place at New Delhi and as such Delhi Courts shall have exclusive jurisdiction. The seat of arbitration shall be Delhi and the arbitration proceedings shall be conducted in English language and the expenses of the arbitration proceeding shall be shared equally between the parties.”

7. Since it is alleged that the respondent No. 2 did not honour its commitment under the Settlement Agreement, the petitioner invoked arbitration on 28.10.2024 and thereafter, filed the present petition.
8. Mr. Goel, learned counsel for the respondent states that the claims of the petitioner are barred by the limitation. However, he fairly states that in view of catena of judgment of the Hon’ble Supreme Court, the issue



shall be decided by the learned Arbitrator.

9. Mr. Arora, learned counsel for the petitioner states that there are no claims against the respondent No. 3, but in case the petitioner succeeds, the sale deed will have to be executed by the respondent No. 3.
10. Mr. Madan, learned counsel for the respondent No. 3 states that respondent No. 3 is a confirming party and as and when directions are issued in this regard by the learned Arbitrator, the respondent No. 3 shall comply with the same. Hence, he need not appear before the learned Arbitrator. The statement of Mr. Madan, learned counsel is acceptable to Mr. Arora, learned counsel for the petitioner.
11. In view of the above facts, the present petition is allowed and the following directions are issued:-
 - i) Mr. Justice Chander Shekhar (Retd. Judge Delhi High Court) (Mob. No. 9910384650) 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.
12. In case a request is made for treating the issue of limitation as a preliminary issue, the learned Arbitrator is at liberty to deal with it in accordance with law.
13. The present petition is disposed of in the aforesaid terms.

JULY 25, 2025 / (MS)

JASMEET SINGH, J