

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

ARBITRATION APPLICATION NO. 273 OF 2025

IIFL Home Finance Limited (IIFL)
(formerly known as India Infoline
Housing Finance Limited)

.....Applicant

: Versus :

Abhimanyu Praveen Thapar & Anr.

....Respondent

Mr. Nikhil Rajani with Mr. Ajay Deshmane i/b V. Deshpande & Co.
for the Applicant.

CORAM : SANDEEP V. MARNE, J.

DATED : 6 JANUARY 2026.

P.C :

1) This is an application filed under Section 11 of the Arbitration and Conciliation Act, 1996 (**the Arbitration Act**) for appointment of Arbitrator for adjudication of disputes and differences arising between the parties in relation to the Loan Agreement dated 30 October 2023 read with Amendatory Loan Agreement dated 30 October 2023.

2) Respondents are duly served with the notice. On behalf of Respondent Nos.1 and 2, Affidavit-in-Reply has been filed. However, none has appeared on behalf of the Respondents. Therefore, the application was kept back in the second session. However, even during second session, none has appeared on behalf of the Respondents. This Court is therefore constrained to decide

the application in absence of any appearance on behalf of the Respondents.

3) It is a case of the Petitioner that it has sanctioned and disbursed loan amount of Rs.2,37,24,254/- to Respondent Nos.1 and 2. Parties have executed Loan Agreement dated 30 October 2023. Clause-9 of the Loan Agreement contains arbitration clause which reads thus :

9. The Borrower/s and IIFL HFL 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 between the parties in performance, interpretation and/or application with respect to the present agreement including but not limited as to any amount outstanding and/or 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 IIFL HFL whose decision shall be final and binding upon the parties. Any notice by the Arbitrator to the respondents shall be sent by registered post at the address mentioned in the Agreement or to any changed address duly intimated in writing by the Borrower/s, will be deemed to be sufficient notice to the Parties. The costs and expenses of the arbitration proceedings shall be borne by the Borrower/s. The sole Arbitrator shall conduct the arbitration proceedings at place and location to be decided by IIFL HFL, in case of such dispute and shall be binding on the Borrower/s. It decided by IIFL HFL, in case of such dispute and shall be binding on the Borrower/s. It is also mutually agreed between the parties that IIFL HFL would be entitled to invoke the present arbitration agreement even after IIFL HFL 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.

4) It appears that the loan amounts are not repaid by the Respondents and accordingly Petitioner has served notice on the Respondents on 2 September 2024 demanding the outstanding loan amount alongwith interest. Thereafter, the Applicant has invoked arbitration by serving notice under Section 21 of the Arbitration Act

on the Respondents on 3 October 2024. In accordance with Clause-9, Applicant proposed to refer the dispute to arbitration to be conducted by Delhi International Arbitration Centre. Respondents were called upon to intimate their consent. Since Respondents did not respond, Applicants have approached this Court by filing present petition under Section 11 of the Arbitration Act.

5) No doubt, the Arbitration Agreement under Clause-9 provides for unilateral appointment of Arbitrator by the Petitioner alone. The law is now fairly well settled that unilateral appointment of an Arbitrator goes to the root of the matter and renders the arbitral Award a nullity. In view of this settled position, instead of pursuing the arbitral proceedings before institutional arbitration invoked in the notice dated 3 October 2024, Petitioner has filed the present petition for appointment of Arbitrator under Section 11 of the Arbitration Act.

6) I am satisfied that there exists Arbitration Agreement between the parties for settlement of disputes and differences through arbitration. Instead of permitting the Petitioner to nominate and appoint Arbitrator unilaterally, this Court is exercising its jurisdiction under Section 11 of the Arbitration Act by appointing the Arbitrator.

7) Accordingly, I proceed to pass the following order :

(A) Ms. Spenta Kapadia, an Advocate of this Court is hereby appointed as the Sole Arbitrator to adjudicate upon the disputes and differences between the parties arising out of the Loan Agreement referred to above. The contact details of the Arbitrator are as under :

Office Address :- 29/29A, Alli Chambers, Tamarind Lane,
Fort, Mumbai-400 001.

Email ID :- spentahavewala@gmail.com

(B) A copy of this order be communicated to the learned sole Arbitrator by the Advocates for the Petitioner within a period of one week from the date of upload of this order. The Applicant shall provide the contact and communication particulars of the parties to the Arbitral Tribunal alongwith a copy of this order.

(C) The learned sole Arbitrator is requested to forward the statutory Statement of Disclosure under Section 11(8) read with Section 12(1) of the Act to the parties within a period of 2 weeks from receipt of a copy of this order

(D) The parties shall appear before the learned sole Arbitrator on such date and at such place as indicated by her to obtain appropriate direction with regard to conduct of the arbitration including fixing a schedule for pleadings, examination of witnesses, if any, schedule of hearings etc.

(E) The sole Arbitrator shall be entitled to the fees prescribed under the Bombay High Court (Fee Payable to Arbitrators) Rules, 2018 and the arbitral costs and fees of the Arbitrator shall be borne by the parties in equal portion and shall be subject to the final Award that may be passed by the Tribunal

8) All issues on merits are expressly kept open to be agitated before the Arbitral Tribunal appointed as above.

9) With the above directions, the application is **allowed and disposed of.**

NEETA
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SAWANT

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[SANDEEP V. MARNE, J.]