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

+ **ARB.P. 150/2024**

TATA CAPITAL LIMITED

..... Petitioner

Through: Mr. Nachiketa Suri, Mr. Rajkumar,
Mr. Gajendra Pal Singh, Mr. Shaan
Meena, Advocates (M. 9999748620)

versus

SHARMA MOTORS & ANR.

..... Respondents

Through: None.

CORAM:

JUSTICE PRATHIBA M. SINGH

ORDER

% **02.05.2024**

1. This hearing has been done through hybrid mode.
2. The present petition under Section 11(6) of the Arbitration and Conciliation Act, 1996 has been filed seeking appointment of the Sole Arbitrator in terms of Clause 19 of the loan agreement dated 24th September, 2018. The case of the Petitioner is that Rs.10 lakhs loan was availed with interest at the rate of 18.50% per annum by the Respondents and a sum of Rs.19,33,760/- is still due and outstanding. A legal notice dated 24th November, 2023 was sent to the Respondents, seeking consent for appointment of Arbitrator. However, the Respondents failed to reply to said notice and accordingly the present petition has been filed.
3. Notice was issued in this petition to the Respondent. However, despite service, none appears for the Respondent. The Respondent No.1- Sharma Motors is a sole proprietary concern. The arbitration clause in the loan Agreement reads as under:



**“19.DISPUTE RESOLUTION, GOVERNING LAW
AND JURISDICTION**

19.1. If any dispute, difference or claim arises between the Obligors and the Lender in connection with the Facility or the security or as to the interpretation, validity, implementation or effect of the Facility Documents or as to the rights and liabilities of the parties under the Facility Documents or alleged breach of the Facility Documents or anything done or omitted to be done pursuant to the Facility Documents, the same Shall be settled by arbitration to be held in Mumbai/ Delhi/Kolkata/Chennai as maybe decided by the Lender in accordance with the Arbitration and Conciliation Act, 1996, or any statutory amendments thereto and shall be referred to a sole arbitrator to be appointed by the Lender. The award of the arbitrator shall be final and binding on all parties concerned.

19.2. The Facility Document shall be governed by the laws of India.

19.3. The Borrower agrees that subject to the provisions of Clause 19.1 above, the courts of Mumbai or the courts at the venue of arbitration decided by the Lender in accordance with Clause 19.1 above alone shall have the exclusive jurisdiction to entertain and try all matters arising from and out of the Facility Documents.”

4. As per the above clause, a sole Arbitrator is to be appointed and the Delhi is one of the venues prescribed for the arbitration.
5. Accordingly, the matter is referred to the Delhi International Arbitration Centre (hereinafter, ‘DIAC’). Let the DIAC appoint an Arbitrator. The fee of the Arbitrator shall be paid in terms of the Fourth Schedule as amended by DIAC Rules, 2023.
6. Let a copy of the present order be emailed to Secretary, DIAC on



email id- delhiarbitrationcentre@gmail.com.

7. The petition is disposed of. All pending applications are also disposed of.
8. List before the DIAC on 20th May, 2024.

PRATHIBA M. SINGH, J

MAY 2, 2024/*PB/bh*