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

+ **ARB.P. 204/2024 & I.A.3595/2024**

TATA CAPITAL LIMITED

..... Petitioner

Through: Mr. Savyasachi Sahai and Mr.
Vishwajeet Singh Shekhawat, Advs.
(M: 9910081428)

versus

M/S ADROIT ADLABS & ORS.

..... Respondents

Through: Mr. Neeraj Kumar Dahiya, Adv.

CORAM:

JUSTICE PRATHIBA M. SINGH

ORDER

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05.04.2024

1. This hearing has been done through hybrid mode.
2. The present petition has been filed by the Petitioner- TATA Capital Ltd. under Section 11(6) of the Arbitration and Conciliation Act, 1996 (*hereinafter, '1996 Act'*) in terms of Clause 13 of the Equipment Finance Agreement read with Clause 28 of the Master Terms and Conditions arising out of Loan-cum-Hypothecation agreement for equipment finance dated 20th September, 2022 entered into between Tata Capital Ltd. with Adroit Adlabs. The Petitioner is a non-banking financial company, registered with the Reserve Bank of India.
3. It is submitted by Id. Counsel for Tata Capital Ltd. that vide order dated 24th November, 2023 passed by NCLT Mumbai Branch, Tata Capital Financial Services Limited (*'TCFSL'*) has been merged with TATA Cleantech Capital Ltd. (*'TCCL'*). As a result, the petitioner now holds rights from the transferors, as specified in the scheme of arrangement.



Accordingly, the present petition has been filed by TATA Capital Ltd.

4. Respondent No. 1 is a partnership firm, with Respondent Nos. 2 and 3 as partners, and is the principal borrower in this case. Respondent Nos. 2 and 3 were personal guarantors to Respondent No. 1. Respondent No. 1 approached TCFSL for financial assistance via a loan application dated 3rd September, 2022. TCFSL sanctioned an equipment finance facility of INR 13,83,181/-, which was accepted by Respondent Nos. 1 to 3. Documents including the Equipment Finance Agreement were executed by Respondent Nos. 1 to 3, with Respondent No. 1 providing a first and exclusive hypothecation charge over machinery purchased with TCFSL's funds. Disbursement requests for the sanctioned funds were made by Respondent No. 1. Disbursements under the facility were made by TCFSL as per Respondent No. 1's requests.

5. However, Respondent No. 1 is stated to have defaulted on repayments from 5th September, 2023, as per the financing documents. TCFSL issued a letter on 28th November, 2023, seeking payments, followed by a Loan Recall Notice on 16th December, 2023, recalling the facility and invoking arbitration.

6. The Petitioner seeks repayment of outstanding amounts from the Respondents. Respondent Nos. 2 and 3, as guarantors, are also liable for the repayment of dues. Total claims on behalf of the Petitioner are to the tune of approximately Rs.12 to Rs.13 lakhs.

7. Ld. Counsel for the Respondents submits that his client is willing to explore amicable resolution of disputes.

8. Accordingly, **Ms. Anisha Upadhyay, Advocate (M:+91-8800625111)**, who is present in Court, is appointed as the Sole Arbitrator.



Arbitrator. Lump sum fee of Rs.1.5 lakhs is fixed for the sole arbitrator, which shall be shared by both parties equally.

9. In the meantime, since the parties willing to explore the possibility of amicable resolution of disputes, the parties are referred to the Delhi High Court Mediation and Conciliation Centre.

10. List before the Mediation Centre on 24th April, 2024 at 3:00 pm.

11. List before the Arbitrator on 25th July, 2024. The proceedings shall be conducted in the Arbitrator's chamber in 303, M.C. Setalvad Block, Supreme Court of India, New Delhi-110001.

12. Petition, along with all pending applications, is disposed of.

PRATHIBA M. SINGH, J.

APRIL 5, 2024/dk/bh