

OCD-9 & 10

ORDER SHEET

IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

AP-COM/97/2025

TATA CAPITAL LIMITED
VS
PRIME MOVERS AUTO ASSOCIATES PRIVATE LIMITED & ORS.

AP-COM/98/2025

TATA CAPITAL LIMITED
VS
PRIME MOVERS AUTO ASSOCIATES PRIVATE LIMITED & ORS.

BEFORE:

The Hon'ble JUSTICE SHAMPA SARKAR

Date: 20th February, 2025.

Appearance:

Mr. Swatarup Banerjee, Adv.

Mr. Avishek Guha, Adv.

Ms. Ankita Agrahari, Adv.

Mr. Ankush Majumdar, Adv.

...for the petitioner

Mr. Aparajita Rao, Adv.

Mr. Sanwal Tibrewal, Adv.

Ms. Sutapa Mitra, Adv.

Ms. Rachita Arora, Adv.

Ms. Nabanita Dutta, Adv.

...for the respondents

The Court : Both AP-COM/97/2025 and AP-COM/98/2025 are applications for appointment of Arbitrators in respect of certain agreements relating to sanction of credit facilities by the petitioner to the respondents.

Having heard the learned Counsel for the respective parties, this Court is of the view that the matters can be taken up together and disposed of by a single order by appointing a single arbitrator.

AP-COM/97/2025 has been filed for appointment of a learned Arbitrator in terms of Clause 12 of an agreement arising out of a working capital demand loan which was entered into between the parties. A sum of Rs.10 crores was advanced to the respondents and an agreement was executed on August 29, 2023. Security, in the form of immovable property was given by the respondents, under the said agreement read with the Registered Master Terms and Conditions for Working Capital Demand Loan dated December 31, 2018. The respondents were aware about the repayment schedule. The petitioner alleges that the said repayment schedule was not adhered to and, as such, there was default. Accordingly, a loan recall notice was issued. The default allegedly continued. A notice invoking arbitration was also issued. The existence of the arbitration clause is not in dispute.

AP-COM/98/2025 is also a similar application for appointment of a learned Arbitrator on the strength of Clause 12 of the term loan dated 29th June, 2022 which was entered into between the parties under the Guaranteed Emergency Credit Line Scheme.

Ms. Rao has raised various objections with regard to the quantum claimed. She submits that the prayer for appointment of two individual arbitrators in the two proceedings was unnecessarily expensive. Both the agreements are interconnected and interlinked and the second agreement arises out of further sanction of loan during the Covid period, on consideration of the fact that the respondents had already availed of a loan facility from the petitioner prior to the

said period (covered by the first agreement). A further advancement of loan was done by the petitioner, under the scheme floated by the Reserve Bank of India. Thus, both these matters should be adjudicated by a single Arbitrator in a single proceeding.

Having considered the records, this Court accepts the contention of Ms. Rao. Mr. Banerjee also agrees that a single Arbitrator may be appointed to arbitrate upon the disputes arising out of the agreements which are before the Court, in these two separate applications.

Accordingly, Mr. Saptangsu Basu, learned Senior Advocate, is appointed as the sole Arbitrator to arbitrate upon the disputes arising out of both the agreements which are the subject matters of these two applications. A composite reference is being made by this order.

The learned Arbitrator shall comply with the provisions of Section 12 of the Arbitration and Conciliation Act, 1996.

The learned Arbitrator shall be at liberty to fix his remuneration as per the schedule of Arbitration and Conciliation Act, 1996.

AP-COM/97/2025 and AP-COM/98/2025 are, accordingly, disposed of.

(SHAMPA SARKAR, J.)