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

+ **ARB.P. 771/2025**

TATA CAPITAL LIMITED

.....Petitioner

Through: Mr. Savyasachi K Sahai, Ms.
Madhumita Bagchi, Mr. Aman
Singhania, Mr. Akash Yadav, Advs.

versus

M/S. ARPAN ENTERPRISES & ANR.

.....Respondents

Through:

**CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH**

**ORDER
26.08.2025**

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1. This is a petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking appointment of an arbitrator to adjudicate the dispute between the parties.
2. The brief facts of the case are that the petitioner, Tata Capital Limited (successor to Tata Capital Financial Services Ltd. pursuant to an NCLT-approved merger scheme *vide* Order dated 24.11.2023), is a non-banking financial company registered with the RBI. Respondent No. 1, M/s Arpan Enterprises, through its sole proprietor Mr. Arpan Bansal, availed a channel finance facility of Rs. 50,00,000/- from the petitioner's predecessor under a Sanction Letter dated 12.09.2022.
3. Pursuant to this, the parties entered into a Loan-cum-Guarantee



Agreement dated 27.09.2022, read with Master Terms and Conditions dated 31.12.2018. Respondent No. 2 stood as guarantor.

4. The Loan cum Guarantee Agreement contains an arbitration clause being clause No. 12, which reads as under:

“12. Arbitration

If any dispute, difference or claim arises between any of the Obligors and the Lender in connection with the Facility or as to the interpretation, validity, implementation or effect of the Facility Documents or as to the rights and liabilities of the parties under these T&Cs 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 by a sole arbitration to be appointed as per the procedure below and to be held at such place as agreed by the Parties in Serial No. 17 of Annexure 1 hereto of the Agreement.

The Party Invoking the arbitration ("Claimant") shall address a notice to the other Party ("Respondent") suggesting the names of not more than three arbitrators, all of whom shall be either retired judges of the District Court, High Court or the Supreme Court or a lawyer having minimum 10 years' relevant experience. The Respondent shall either:

(i) Confirm in writing acceptance of one amongst the proposed names as the sole arbitrator to the Claimant within a period of ten (10) days from the date of notice ("Notice Period"); or

(ii) Convey objection, if any, in writing to the Claimant, against the proposed names of the sole arbitrator within the said Notice Period.

However, if the Claimant does not receive any response from the Respondent within the said Notice Period, the



Claimant shall be entitled to nominate any one person from amongst the proposed three names as the sole arbitrator and such arbitrator shall be deemed to be appointed by both the Parties.

In the event, the Respondent conveys its objection as per (ii) above then the sole arbitrator will be appointed by a Court having jurisdiction. The arbitration shall be conducted under the provisions of the Arbitration and Conciliation Act, 1996 together with its amendments, any statutory modifications or re-enactment thereof for the time being in force. The arbitration proceeding shall be conducted in English language. The award of the arbitrator shall be final and binding on all parties concerned. The cost of arbitration shall be borne by the Obligor/s.”

5. Since there were defaults in repayment of money, the petitioner issued a loan recall notice as well as a notice invoking arbitration on 04.10.2024 and thereafter filed the present petition.
6. As per annexure I to the Loan cum Guarantee Agreement, the email ID of respondent No. 1 and respondent No. 2 is shown as arpanbansal@yahoo.com.
7. As per the affidavit of service, the respondents have been served at the said email ID.
8. In view thereof, I am satisfied that the respondents have been served.
9. Despite service, there is nobody appearing on behalf of the respondents today.
10. There is a valid arbitration clause between the parties, and the disputes need to be adjudicated through the arbitral mechanism.
11. For the said reasons, the petition is allowed and the following directions are issued:-



- i) Mr. Jaspreet Singh Kapur (Advocate) (Mob. No. 9650145159) 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 petitioner shall approach the learned Arbitrator within two weeks from today.
12. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

AUGUST 26, 2025/sp