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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ARB.P. 850/2025

TATA CAPITAL LIMITED

.....Petitioner

Through: Mr. SK Sahai, Adv.

versus

AFIA STEEL ISPAT PRIVATE LIMITED & ORS.

.....Respondents

Through: None

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

10.09.2025

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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 for adjudication of disputes between the parties.
2. Pursuant to an order dated 24.11.2023 passed by the NCLT, Mumbai, the name of the petitioner is Tata Capital Limited ("**TCL**") as Tata Capital Financial Services Limited ("**TCFSL**") and Tata Cleantech Capital Limited ("**TCCL**") (Transferor Companies) along with its undertaking have merged with TCL (the Transferee Company) and all outstandings in respect thereof stood transferred to TCL. Thus, the Petitioner herein is entitled to claim the same from the Respondents in the present proceedings.
3. The brief facts of the case are that the respondent No.1 through the respondent No.2 approached the petitioner for financial assistance and a loan was granted for Rs. 4 crores at the interest rate of 11% p.a. to



the respondent No. 1 *vide* sanction letter dated 21.08.2023.

4. The principal borrower i.e. the respondent No. 1 is a private limited company registered under Companies Act, 2013 and the respondent Nos. 2, 3 and 4 are the guarantors.
5. The petitioner and the respondents executed the Term Loan Agreement on 15.09.2023 and the same was to be read with Master Terms and Conditions Agreement dated 31.12.2018.
6. The said Term Loan Agreement contains the arbitration clause being clause No. 13 which reads as under:-

“13. 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. 18 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.

...”

7. Since there were defaults in making the repayments, the petitioner invoked arbitration *vide* legal notice dated 15.04.2025 and thereafter filed the present petition.



8. The email ID of all the respondents as per the said Term Loan Agreement is afiasipl@gmail.com. All the respondents have been served at the said email ID. Despite service, there is nobody appearing on behalf of the respondents.
9. I am satisfied that there exists a valid and subsisting arbitration clause and there are disputes between the parties which need to be adjudicated through the arbitral mechanism.
10. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) Ms. Shubha Yadav (Advocate) (Mob. No. 9953280076) 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.
- 11. The present petition is disposed of in the aforesaid terms.

SEPTEMBER 10, 2025 / (MS)

JASMEET SINGH, J