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

+ **ARB.P. 973/2025**

TATA CAPITAL LIMITED

.....Petitioner

Through: Mr. Savyasachi K. Sahai, Ms.
Madhumita Bagchi, Mr. Akash Yadav and
Mr. Hardik Maurya, Advs.
versus

M/S AUTOSIL ENTERPRISES & ANR.

.....Respondents

Through: Mr. Tejveer Singh Bhatia, Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **01.12.2025**

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. The brief facts the petitioner is a non-banking financial company. The name of the petitioner was changed from M/s Tata Capital Financial Services Ltd. to M/s Tata Capital Ltd.
3. The petitioner sanctioned a loan facility for a sum of Rs. 80 lakhs to respondent No. 1 *vide* Sanction Letter dated 03.08.2018. Pursuant to the said Sanction Letter, respondent No. 1 and the petitioner entered into a Channel Finance Agreement dated 17.08.2018.
4. On the request of the respondent No. 1, the loan facility was renewed from time to time *vide* Sanction Letters dated 26.08.2019, 09.09.2020, 27.09.2021 and 30.01.2023, pursuant to which every time a Loan cum Guarantee Agreement was executed between the parties. The last



Loan cum Guarantee Agreement is dated 24.04.2023. The respondent No.1 is the principal borrower and the respondent No. 2 is the Guarantor and both the respondents signed the Loan cum Guarantee Agreement in the said capacity.

5. The Loan cum Guarantee Agreement dated 24.04.2023 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."

6. Since disputes arose between the parties, the petitioner issued a notice dated 15.03.2025 for recall of loan and to invoke arbitration.
7. Mr. Bhatia, learned counsel for the respondents states that the respondents dispute the claims of the petitioner and in fact the respondents have counter-claim(s). However, he states that the arbitration clause is admitted and there is objection to the appointment



of the Arbitrator.

8. I am satisfied that there exists a valid arbitration clause and there are disputes between the parties which need to be adjudicated through the arbitral mechanism.
9. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) Mr. Chand Chopra (Advocate) (Mob. No. 9915907494) 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 parties shall approach the learned Arbitrator within two weeks from today.



10. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

DECEMBER 1, 2025 / (MS)