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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ARB.P. 1498/2025

TATA CAPITAL LIMITED

.....Petitioner

Through: Mr. Varun kumar, Adv.

versus

SHREE ELECTRONICS & ORS.

.....Respondents

Through: Mr. Mishal Vij and Mr. Rohit Shikla,
Advs.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

18.12.2025

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1. This is a petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator for adjudication of disputes between the parties.
2. The brief facts of the case are that the respondents approached the petitioner for Channel finance facility. Pursuant to this, the petitioner advanced a loan of Rs. 48 lakhs to the respondent No.1 *vide* sanction letter dated 14.07.2021. The respondent Nos. 2 and 3 are the personal guarantors. The parties entered into an Agreement for Term Loan dated 16.07.2021.
3. The said Agreement contains an 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. 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 anyone 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 Obligors.”

4. Since there were disputes between the parties, the petitioner invoked arbitration *vide* legal notice dated 09.07.2025 and thereafter filed the present petition.
5. Mr. Vij, learned counsel for the respondents, admits the arbitration clause and states that the respondents are trying to settle the matter. However, he has no objection to appointment of an arbitrator.
6. 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.
7. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) Ms. Mukta Sharma, Advocate (Mob. No. 9811134378) 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.
8. The learned Arbitrator shall enter reference after 6 weeks from today to enable the parties to arrive at settlement.
9. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

DECEMBER 18, 2025 / (MS)