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

\# **CNR No. DLHC010381062026**

\+ ARB.P. 1440/2026

M/S TATA CAPITAL LTD .....Petitioner

Through: Mr. Sunil Sehrawat, Advocate.

versus

PYAR MOHD .....Respondent

Through: None.

CORAM:
HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT(ORAL)

% 01.10.2026

1. As per the affidavit of service, service is sufficient.

2. The present petition has been filed under Section 11 of the Arbitration and Conciliation Act of 1996[1] seeking resolution of disputes arising out of the loan agreement dated 21.20.2023[2], by which the Petitioner extended a loan facility to the Respondent.

3. The Petitioner is aggrieved by the alleged default in payment by the Respondent. Accordingly, the Petitioner seeks to invoke arbitration in terms of Clause 13 of the Agreement, as follows:

> *"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*

[1] "Act" hereinafter
[2] "Agreement" hereinafter

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arbitration to be appointed as per the procedure below and to be held at such place as agreed by the Parties in Serial No.13(a) 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.

(1) 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

(1) 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 appointment of the sole arbitrator shall be referred to the Council for National and International Commercial Arbitration (CNICA) and the arbitrator shall be appointed by them from their panel of arbitrators.

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. There is no quarrel with the proposition that while exercising jurisdiction under Section 11 of the Act, the scope of enquiry is confined to examining the *prima facie* existence of a valid arbitration agreement.

5. In the present case, this Court is of the view that *prima facie* a valid arbitration clause exists between the parties.

6. In the aforesaid circumstances, this Court finds no impediment

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in appointing a Sole Arbitrator.

7. Accordingly, Ms. Sarika Mehta, Advocate, (Mob. No. 9654612375) is appointed as a learned Sole Arbitrator to adjudicate the disputes arisen between the parties. The learned Sole Arbitrator shall enter upon the reference within two weeks from today.

8. The learned Sole Arbitrator will proceed to the arbitration proceedings subject to furnishing requisite disclosures as required under Section 12(2) of the Act within two weeks of entering reference.

9. The arbitration shall be carried under the rules and aegis of Delhi International Arbitration Centre ("DIAC"). The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

10. It shall be open to the parties to raise all pleas, including objection as to arbitrability and jurisdiction, before the learned Sole Arbitrator who shall decide the same in accordance with law.

11. It is clarified that the observations made herein are only for the purpose of deciding the present petition under Section 11(6) of the Act. The learned Sole Arbitrator shall adjudicate the disputes independently and on their own merits, uninfluenced by any observations contained in the present order.

12. The Registry is directed to send a receipt of this order to Ms. Sarika Mehta, learned Arbitrator through all permissible modes

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including email.

13. Accordingly, the present petition is disposed of in the above terms.

OM PRAKASH SHUKLA, J

OCTOBER 1, 2026/pa

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