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

Date of decision: 18.05.2026

+ ARB.P. 1784/2025

TATA CAPITAL LIMITEDPetitioner

Through: Ms. Anushka Verma, Advocate.

versus

M/S SHIV SHAKTI INDUSTRIES & ORS.Respondents

Through: Mr. Amit Kumar Singh,
Advocate for R-1.

CORAM:

**HON'BLE MR. JUSTICE HARISH VAIDYANATHAN
SHANKAR**

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JUDGMENT (Oral)

1. The present Petition has been filed under **Section 11(6) of the Arbitration and Conciliation Act, 1996** [“The Act”], seeking the appointment of an independent Sole Arbitrator for adjudication of the disputes *inter se* the parties, which are stated to arise from the **Loan Agreement dated 29.10.2018** [“Agreement”].

2. Learned counsel appearing on behalf of Respondent No. 1 raises a preliminary objection with respect to the maintainability of the present Petition. It is contended that, since the disputes in question arose in Ghaziabad, Uttar Pradesh, this Court lacks the territorial jurisdiction to entertain the present proceedings.

3. This Court has heard learned counsel appearing on behalf of Respondent No. 1 and has perused the Agreement executed *inter se* the parties. A perusal of the said Agreement reveals that it was entered



into at New Delhi.

4. Furthermore, Clause 13 of the Agreement expressly stipulates the mechanism for dispute resolution in the following terms:

“13. DISPUTE RESOLUTION

13.1.1 If any dispute, difference or claim arises between the Obligors and the Lender in connection with the Loan or the security or as to the interpretation, validity, implementation or effect of the Loan Documents or as to the rights and liabilities of the parties under the Loan Documents or alleged breach of the Loan Documents or anything done or omitted to be done pursuant to the Loan Documents, the same shall be settled by arbitration to be held in Mumbai/Delhi/Kolkata /Chennai as may be decided by the Lender in accordance with the Arbitration and Conciliation Act, 1996, or any statutory amendments thereto and shall be referred to a sole arbitrator to be appointed by the Lender. The award of the arbitrator shall be final and binding on all parties concerned.

13.1.2 The Loan Documents shall be governed by the laws of India.

13.1.3 The Borrower agrees that subject to the provisions of Clause 13.1.1 above, the courts of Mumbai or the venue of arbitration decided by the Lender in accordance with Clause 13.1.1 above alone shall have the exclusive jurisdiction to entertain and try all matters arising from and out of the Loan Documents.

13.1.4 Notwithstanding anything contained hereinabove, the Lender reserves the right to, at its option, also enforce the security under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act) or proceed to recover dues from the Obligors under the SARFESI Act and/or the Recovery of Debts Due to Banks and Financial Institutions Act. 1993.”

5. A perusal of the dispute resolution clause of the said Agreement reveals that jurisdiction to entertain and adjudicate all disputes arising out of or in connection with the Loan Agreement is vested either in the Courts at Mumbai or at the venue of arbitration as may be determined by the lender in accordance with Clause 13.1.1 of the Agreement.

6. A conjoint reading of the said Agreement and the clauses contained therein *prima facie* indicates that the Courts vested with jurisdiction are the Courts at Mumbai and not Delhi. It further appears



that Delhi has merely been designated as a venue for the arbitral proceedings, whereas Mumbai has been specifically identified as the jurisdictional forum for the purposes of adjudication by Courts. This, when read in conjunction with Clause 13.1.1, persuades this Court to hold that the present petition is not maintainable before the Courts at Delhi.

7. In view of the foregoing, the present Petition, along with all pending application(s), if any, stands dismissed, with liberty reserved in favour of the Petitioner to avail of such remedies as may be permissible in law, including, *inter alia*, the institution of appropriate proceedings before the competent Courts at Mumbai.

HARISH VAIDYANATHAN SHANKAR, J.
MAY 18, 2026/nd/va