

OCD-3

ORDER SHEET

IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

AP-COM/640/2025

SREI EQUIPMENT FINANCE LIMITED
VS
MANTENA INFRA AND ORS.

BEFORE:

The Hon'ble JUSTICE SHAMPA SARKAR

Date: 27th August, 2025.

Appearance:

Mr. Swatarup Banerjee, Adv.

Mr. Sariful Haque, Adv.

Mr. R. N. Ghose, Adv.

Ms. Pritha Ghose, Adv.

. . .for the petitioner.

The Court: Despite service none appears on behalf of the respondents.

Affidavit of service is taken on record.

This is an application for appointment of an Arbitrator in terms of clause 18(n) of the Master Lease Agreement No. 133463 dated April 5, 2017 and clause 33 of the Personal Guarantee Agreement dated April 5, 2017. These two agreements form part of the same transaction. The petitioner is a non-banking financial company. The parties entered into a Master Lease Agreement and the petitioner provided equipments on lease rental basis to the respondent no.1. The respondent no.1 is the borrower and an unregistered partnership firm. The respondent no.2 is the guarantor. The respondent nos.2 and 3 are also the partners of the respondent no.1. According to the Lease Rental Agreement, it is alleged that a sum of Rs.20,35,02,675/- was to be repaid by the respondents in 66 monthly lease rentals commencing from October 5, 2017 of different

amounts. The details of the various monthly lease rentals have been enumerated in paragraph no.6 of this agreement.

It is further alleged that the respondent no.2 had executed a personal guarantee bond and agreed to stand in guarantee for due performance of the obligations by the respondent no.1. The petitioner submits that approximately 52 monthly rentals were paid and thereafter, the respondents committed default. The learned Advocate for the petitioner issued a notice to the respondents, *inter alia*, stating that the agreement had expired due to efflux of time. An amount of Rs.23,98,27,740/- was due and payable on the relevant date i.e. February 20, 2025. The arbitration clause was also invoked by the letter dated February 20, 2025. Records reveal that by an order dated July 8, 2025, an injunction was issued by this Court on 42 numbers of assets of various descriptions which were more fully described at page nos. 58 to 60 of the application being AP-COM/335/2025.

Considering the fact that there is a live dispute and there are arbitration clauses in both the Master Lease Agreement as also the Personal Guarantee Agreement, the referral Court deems it fit to refer the dispute to a Sole Arbitrator. The Court is of the view that the procedure/mechanism prescribed under the agreement discussed hereinabove has failed and appointment of an Arbitrator by the lender is no longer permissible in law.

Under such circumstances, the application is allowed by appointing Justice Subrata Talukdar, former Judge of this court as the learned Arbitrator, to arbitrate upon the disputes between the parties.

All objections available to the respondents shall be raised before the learned Arbitrator, including the question of arbitrability, limitation,

admissibility of the claim, calculation thereof etc., which shall be decided by the learned Arbitrator.

The learned Arbitrator shall comply with the provisions of Section 12 of the Arbitration and Conciliation Act, 1996. The learned Arbitrator shall be at liberty to fix his remuneration as per the schedule of Arbitration and Conciliation Act, 1996.

AP-COM/640/2025 is, accordingly, disposed of.

(SHAMPA SARKAR, J.)