



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

ARBITRATION PETITION NO.54 OF 2024
WITH
INTERIM APPLICATION (L) NO.30724 OF 2022
IN
ARBITRATION PETITION NO.54 OF 2024

Vishal Rajnarayan Sharma and Ors.

...Petitioners

V/s.

Mahindra & Mahindra Financial
Services Ltd.

...Respondent

Mr. Ankit H. Pandey *for the Petitioners.*

Ms. Drishti Saigal *i/b. Mr. Manan Sanghai for the Respondent.*

CORAM: SANDEEP V. MARNE, J.

DATED: 07 NOVEMBER 2025.

P.C.:

1) By this Petition filed under the provisions of Section 34 of the Arbitration and Conciliation Act, 1996 (**the Act**) the Petitioners have raised the challenge to the Award of the learned sole arbitrator dated 10 June 2022.

2) I have heard Mr. Pandey, the learned counsel appearing for the Petitioners and Ms. Saigal, the learned counsel appearing for the Respondent. I have gone through the findings recorded in the impugned Award and have perused the records of the case.

3) Only two grounds of challenge to the impugned Award are pressed before me. Firstly, it is contended that the Respondent proceeded to appoint Arbitrator unilaterally without involving the Petitioners in any manner. Secondly, it is contended that arbitration proceedings are conducted ex-parte behind the back of the Petitioners.

4) So far as the nomination of the learned Arbitrator is concerned, clause 15 containing arbitration agreement provides thus:-

15. Arbitration:

All disputes, differences and/or claim arising out of these presents or in any way touching or concerning the same or as to constructions, meaning or effect hereof or as to the right and liabilities of the parties hereunder shall be settled by arbitration to be held in accordance with the provision of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof and shall be referred to the sole arbitrator to be nominated by the Lender. In the event of death, refusal, neglect, inability or incapability of a person so appointed to act as an arbitrator, the Lender may appoint a new arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceeding shall be held in Mumbai.

5) It appears that Petitioner No.1-Vishal Rajnarayan Sharma had instituted Regular Civil Suit No.77 of 2018 in the court of Civil Judge, Senior Division, Thane, in which Respondent filed application under Section 8 of the Act seeking reference of dispute to arbitration. Petitioner No.1 filed his reply to the said application, which reads thus:-

Say on behalf of the Plaintiff

The deft. is at liberty to approach for arbitration and therefore the plaintiff herein have no objection. The Hon'ble Court may pass necessary order.

6) Application preferred by the Defendant for reference of dispute to the arbitration was premised on clause 15 of the arbitration agreement. Thus, when attention of the Petitioners was invited to the arbitration agreement under clause 15 permitting nomination of Arbitrator by the Respondent alone, Petitioner No.1 filed reply to Section 8 Application expressing no objection for appointment of the Arbitrator. Therefore, now the Petitioners cannot turn around and seek to question nomination of the sole Arbitrator unilaterally by the Respondent. Therefore, the objection of unilateral nomination of Arbitrator deserves rejection.

7) So far as the allegation of conduct of arbitration proceedings behind the back of Petitioners is concerned, the notice of arbitration proceedings was dispatched to the known address of the Petitioners and the same was returned with the remark 'unclaimed'. Thus, the Petitioners were duly served with the notice of arbitration proceedings and they chose not to appear before the learned Arbitrator by not claiming notice/intimation, which was left at their address.

8) The findings recorded in the Award are in accordance with the covenants of the contract between the parties. Therefore even on merits, no valid ground under Section 34 of the Act is made out.

9) I am therefore not inclined to interfere in the impugned order. Arbitration Petition is accordingly **rejected**.

10) Interim Application stands disposed of.

[SANDEEP V. MARNE, J.]