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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**  
+ **ARB.P. 500/2025**  
**MAHINDRA AND MAHINDRA FINANCIAL SERVICE LTD**  
.....Petitioner

Through: Mr. Vivek Kumar, Adv.

versus

**MANGLA SEEDS PRIVATE LIMITED & ORS. ....Respondents**  
Through:

**CORAM:**  
**HON'BLE MR. JUSTICE JASMEET SINGH**

**ORDER**  
**06.05.2025**

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1. This is a petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996 seeking appointment of an arbitrator to adjudicate the disputes between the parties arising out of the Master Loan Facility Agreement dated 30.05.2023.
2. The arbitration clause is contained as clause 24.11 of the General terms and conditions attached with the Master Loan Facility Agreement and the same reads as under:

*“All disputes, differences and/or claims arising out of these presents or in any way concerning the same or as to construction, 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/replacement thereof and shall be referred to the sole arbitrator robe 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 arbitr.1tor shall be final and binding on all parties concerned. The Arbitration proceeding shall be held at the place mentioned in point no. J of the Loan Summary Schedule. As per Loan Summary Schedule the Place of Arbitration & Jurisdiction is Delhi.”*

3. The facts are that the petitioner and the respondent(s) entered into a Master Loan Facility Agreement on 30.05.2023, under which the petitioner advanced a sum of Rs 40,12,230/- to the respondent(s). Respondent No. 1 is a private limited company and respondent Nos. 2 and 3 are the co-borrowers. The respondent (s) created an equitable mortgage of property bearing No. Plot No. R-272, Block-R, area measuring 90. Sq. mtr., Zone No. 08, Ward No. 19, Property ID No. 1004341961 situated at Amaltas Colony, Shatabdipuram, Gwalior, Madhya Pradesh.
4. The petitioner has yet not initiated SARFAESI proceedings.
5. Since the respondent failed to adhere to the schedule for re-payment of EMIs in terms of the Master Loan Facility Agreement, the petitioner issued a loan recall notice dated 21.10.2024 and thereafter, invoked arbitration *vide* legal notice dated 30.12.2024.
6. The respondent has been served through ordinary means, however, there is nobody is appearing on behalf of the respondent(s).
7. For the said reasons, I am satisfied that there are disputes between the parties which need to be resolved through arbitration mechanism.
8. The petition is allowed with the following terms and conditions:



- i) Mr. Sarad Kumar Sunny, Adv. (Mobile No. 9958178853) 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 petitioner shall approach the learned Arbitrator within two weeks from today.
9. The present petition is disposed of in the aforesaid terms.

**JASMEET SINGH, J**

**MAY 6, 2025/DM** [Click here to check corrigendum, if any](#)