



IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMMERCIAL ARBITRATION APPLICATION NO. (L) NO. 16400 OF 2026

Axis Finance Limited

...Petitioner

V/s.

Sunil Kumar Avinash Chand Arora and
Ors.

...Respondents

Mr. Karl Tamboly with *Mr. Gaurav Jangle and Ms. Nidhi Mistry i/b I.V. Merchant and Co., for Petitioner/Applicant.*

Mr. Rohan Rajadhyaksha with *Ms. pallavi Singh, Mrs. Deepika Kumari, Mr. Pragalb Bhardwaj, Ms. Prachi Agnihotri and Mr. Yash Parmar, for Respondent No. 3.*

CORAM: SANDEEP V. MARNE, J.

DATED: 7 MAY 2026.

P.C.:

1) This is an Application filed under Section 11 of the Arbitration and Conciliation Act, 1996 (**the Arbitration Act**) seeking appointment of an Arbitrator for adjudication of disputes and differences that have arisen between the Applicant and Respondent Nos. 1 and 2 out of two Mortgage Loan Agreements dated 26 March 2022. The Respondent Nos. 1 and 2 are the borrowers and both the Mortgage Loan Agreements contain arbitration clause No. 29. The seat of the Arbitration is at Mumbai. Despite being served, none has appeared for Respondent Nos. 1 and 2-borrowers. There is thus no difficulty about conduct of arbitral proceedings between the Applicant and Respondent Nos. 1 and 2.



- 2) Respondent No. 3 is Standard Chartered Bank with whom there is no contractual arrangement by the Applicant and therefore there is no question of any contractual arbitration between them. However, Applicant seeks to rope in Respondent No. 3-Bank by having recourse to provisions of Section 11 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest, Act 2002 (**SARFAESI Act**).
- 3) This is the case involving loan takeover. The borrowers have earlier secured credit facilities from Standard Chartered Bank and for taking over the loan of Standard Chartered Bank, further loan is taken from the Applicant. However, neither the loan of Standard Chartered Bank is repaid by the borrowers, nor a security interest is created in respect of the subject property in favour of the Applicant. Thus, the loan is sanctioned and disbursed on the strength of security of same subject property. Only standard Chartered Bank is a secured creditor as of now. The Applicant Bank is prevented from becoming a secured credit on account of Standard Chartered Bank not terminating its charge over the subject property. It is in order to resolve the disputes between two banks/financial Institutions relating to securitisation, reconstruction or amount due that Section 11 of the SARFAESI Act provides for statutory arbitration under Section 11 thereof. Recognizing this position, Standard Chartered Bank has filed the Application under Section 11 of the Arbitration Act before the Gujrat High Court.
- 4) Mr. Rajadhyaksha, the learned counsel appearing for Standard Chartered Bank, on instructions, fairly submits that his client is willing to have a reference made in the present Application under Section 11 of



the SARFAESI Act for adjudication of disputes between Applicant and Respondent No. 12134 Standard Chartered Bank. He submits that if a reference is made in the present Application, Standard Chartered Bank would withdraw Section 11 Application filed before the Gujrat High Court. All that Mr. Rajadhyaksha however requests is that there cannot be common reference to Arbitration and the disputes between Applicant and Standard Chartered Bank need be adjudicated though a separate reference.

5) In view of the above position, I proceed to pass the following order:

(A) Mr. Anoshak Daver, an Advocate of this Court is appointed as sole Arbitrator to adjudicate upon the disputes and differences arising out of the two Mortgage Loan Agreements dated 26 March 2022 between the Applicant and Respondent No. 1 and 2 as well as for adjudication for disputes and difference between Applicant and Standard Chartered Bank under Section 11 of the SARFAESI Act. The contact details of the Arbitrator are as under:

Office Address :	20 Floor, One Infinity, Cawasji Patel Street, Fort, Mumbai-400001
Contact No.	9833098777

(B) A copy of this order be communicated to the learned sole Arbitrator by the Advocates for the Applicant within a period of one week from the date of uploading of this order. The Applicant shall provide the contact and communication particulars of the parties to the Arbitral Tribunal alongwith a copy of this order.



- (C) The learned sole Arbitrator is requested to forward the statutory Statement of Disclosure under Section 11(8) read with Section 12(1) of the Act to the parties within a period of 2 weeks from receipt of a copy of this order.
- (D) The parties shall appear before the learned sole Arbitrator on such date and at such place as indicated by his, to obtain appropriate direction with regard to conduct of the arbitration including fixing a schedule for pleadings, examination of witnesses, if any, schedule of hearings etc.
- (E) The fees of the sole Arbitrator shall be as prescribed under the Bombay High Court (Fee Payable to Arbitrators) Rules, 2018 and the arbitral costs and fees of the Arbitrator shall be borne by the parties in equal portion and shall be subject to the final Award that may be passed by the Tribunal.
- 6) It is clarified that there shall be two separate references before the appointed Arbitrator viz. (i) reference for adjudication of disputes between Applicant and Respondent Nos. 1 and 2. (ii) reference for adjudication of disputes between Applicant and Standard Chartered Bank. It would be however open to the learned Arbitrator to take up both the references simultaneously.
- 7) All rights and contentions of the parties are expressly kept open to be agitated before the Arbitral Tribunal.
- 8) With the above directions, the Petition and the Application are **disposed of**.

[SANDEEP V. MARNE, J.]