



WEB COPY



Arb.OP(Com.Div.)No.278 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 25.10.2024

Coram:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

Arb.OP(Com.Div.) No.278 of 2024

M/s.Mercedes-Benz Financial Service India Pvt.Ltd.,
(Formerly known as Daimler Financial Services Pvt.Ltd.,)
Rep. By its authorized signatory
Ra.Sivadhara Adiyaman,
Plot No.8, 5th Floor, Baashyam Willow Square,
9 & 10, First Street, Thiru Vika Industrial Estate,
Guindy, Chennai 600 032

.. Petitioner

/versus/

1.Brijendra Pal Singh
2.Renu Singh

... Respondents

Prayer: Original Petition is filed under Section 11 of the Arbitration and Conciliation Act, 1996, seeking to appoint an arbitrator as deemed fit by this Court in accordance with Clause 66 of the Agreements dated 30.12.2019 to adjudicate upon the disputes that have arisen between the parties in relation to the agreements.

For Petitioner : M/s.Sihana Fathima.A

For Respondents : No appearance

ORDER

This petition is filed under Section 11 of the Arbitration and Conciliation Act, 1996, seeking to appoint an arbitrator as deemed fit by this Court in accordance with



Clause 66 of the Agreements dated 30.12.2019 to adjudicate upon the disputes that have arisen between the parties in relation to the agreements.

2. The petitioner states that the respondents approached the petitioner-financial institution to avail financial assistance to purchase commercial vehicle, for which agreement was entered into between them. The borrowed amount was repayable in 60 equated monthly instalments commencing from 04.02.2020. Though respondents paid some instalments, thereafter the respondents defaulted in repayment. Therefore, the respondents surrendered the hypothecated vehicle, which was sold by the petitioner to realise the amount. However, the respondents were still liable to pay Rs.3,05,558/-.In this regard, the petitioner sent legal notice dated 11.05.2021, for which the respondents did not response. It is relevant to extract the Clause 66 of the agreement hereunder:

“All claims and disputes arising under or relating to this Loan Agreement, are to be settled by binding arbitration in the state of Tamil Nadu, specifically Chennai or another location as desired by the lender. The arbitration shall be conducted on a confidential basis and shall be subject to the Arbitration and Conciliation Act, 1996 of India. Any decision or award as a result of any such arbitration proceedings shall be in writing and shall provide an explanation for all conclusions of law and fact and shall include the assessment of costs, expenses and



WEB COPY



Arb.OP(Com.Div.)No.278 of 2024

reasonable attorneys fees. Any such arbitration shall be conducted by single arbitrator appointed by the Lender. The arbitration proceeds shall include a written record of the arbitration hearing. An award of arbitration may be confirmed in a court of competent jurisdiction ."

3. Though notice was served on the respondents, neither the respondents have engaged any counsel to appear on behalf of them before this Court nor the respondents have appeared before this Court in person today.

4. On perusal of clause 66 of the agreement, it is evident that the disputes are required to be resolved through arbitration. The petitioner has also duly invoked the arbitration clause. In view of the failure of the respondents to respond thereto, the Arbitral Tribunal is required to be constituted in accordance with Section 11 of the Arbitration Act.

5. Therefore, this Court is inclined to appoint an arbitrator. Accordingly, this petition is allowed by appointing Mr.L.Pachaiyyappan, Advocate (E.No.879/2002) having address – Door No.129, Karikalan Street, Adampakkam, Chennai 600 088 (mobile: 98402 72737) as the Sole Arbitrator. The sole Arbitrator is directed to enter upon reference and adjudicate the dispute in accordance with law.



Arb.OP(Com.Div.)No.278 of 2024

It is open to the Sole Arbitrator to fix his fees and expenses in relation to the arbitral proceedings.

25.10.2024

Neutral citation: Yes/no
Index : Yes/No
Speaking/Non Speaking
lok



WEB COPY



Arb.OP(Com.Div.)No.278 of 2024



WEB COPY



Arb.OP(Com.Div.)No.278 of 2024

G.K.ILANTHIRAIYAN, J.

lok

Arb.OP(Com.Div.) No.278 of 2024

25.10.2024