

OCD 2

ORDER SHEET
APOT/185/2025
IA NO: GA-COM/1/2025
IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

SANCHITA CHOWDHURY AND ANR.
VS
SRIRAM FINANCE LIMITED

BEFORE:
The Hon'ble JUSTICE SHAMPA SARKAR
Date: 25th July, 2025.

Appearance:
Mr. Varun Kothari, Adv.
Ms. Sayani Das, Adv.
Mr. Arya Bhattacharyya, Adv.
. . .for the petitioners.

Mr. Saurabh Guhathakurata, Adv.
Mr. Abhratanu Sarkar, Adv.
Mr. Partho Proteem Das, Adv.
. . .for the respondent.

The Court: This is an appeal from an order dated May 7, 2025 passed by the sole Arbitrator under Section 17 of the Arbitration and Conciliation Act, 1996 hereinafter referred to as the said Act filed by the respondent.

The learned Arbitrator directed the Receiver to take possession of the hypothecated asset, make an inventory, prepare a seizure list and file a report before the learned Arbitrator on June 20, 2025 at 4 p.m. It is submitted by the appellant that the sole Arbitrator was appointed by the respondent. No notice under Section 21 of the said Act invoking arbitration had ever been received.

The appellant came to know of the proceeding only when the Receiver went to re-posses the vehicle on May 15, 2025. It is submitted that upon repossession the respondent has also advertised sale of the vehicle in its website.

The appellant filed an application under Section 16 of the said Act challenging the jurisdiction of the learned Arbitrator. However, before disposal of the said application, the Arbitrator recused and/or resigned from the proceeding by an order dated July 24, 2025 on the objection raised by the appellant with regard to unilateral appointment.

Under such circumstances, the parties are at liberty to take steps in accordance with law for appointment of an Arbitrator.

As the vehicle has been repossessed and is in the custody of the respondent, the remaining portion of the order impugned is set aside apart from the direction to repossess the vehicle. The appeal is partially allowed.

The respondent shall retain possession of the vehicle till further orders from a duly appointed Arbitrator. The condition of the vehicle shall be preserved and maintained. No third party rights will be created. The location of the vehicle shall be informed to the appellant.

The appeal and the application are disposed of.

(SHAMPA SARKAR, J.)