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Arb O.P(COM.DIV.) No. 33 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **07-04-2025**

CORAM

THE HONOURABLE MR JUSTICE ABDUL QUDDHOSE

Arb. O.P(COM.DIV.) No. 33 of 2025

M/S. Mercedes Benz Financial Services India Pvt
Ltd.,(formerly known as M/s Daimler Financial
Services India Private Limited)
5th Floor Plot 8 Baashyam Willow Square,
9 &10 First Street,Thiru Vi Ka Industrial Estate,
Guindy,Chennai 600032 Tamil Nadu India
Represented by its Authorised Signatory

..Applicant

Vs

1. Vasundhra Projects Private Limited
No.502, 5th Floor, Chaitanya Chambers,
Chaitanyapuri, Kothapet,
Andhra Pradesh 500060

2. K.Parvathi,
D-4, Kodali Harmony Shilpa Layout,
Kondpur, Serilingapally,
Andhra Pradesh - 500 084

..Respondents

For Appellant : Ms.B.Narmadha
for Mr.M.Arunachalam

For Respondents : Ms.**M.Akula Ramulu**

ORDER

This Petition has been filed under Section 11 of the Arbitration and
Conciliation Act, 1996, seeking for appointment of an Arbitrator by this Court.



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2. There seems to be a dispute between the petitioner and the respondents arising out of the loan cum hypothecation agreement dated 01.09.2021. There exists an arbitration clause in the Loan cum Hypothecation Agreement dated 01.09.2021 which is extracted hereunder.

83. Dispute Resoluteion: All claims and disputes arising under or relating to this Loan Agreeemet, its interpretation, performance, termination of this Agreement or otherwise in connection with this Agreement ("Dispute") shall be referred to an Arbitration under the Arbitration and Conciliation Act, 1996, as may be amended from time to time, or any re-enactment thereof, to a Sole arbitrator appointment by Lender. The Arbitration proceedings, any order passed thereto by the Arbitrator including the Award, either interim or final, shall be binding on the parties and shall be conducted in English. It is also expressly agreed by the parties that the place of Arbitration shall be exclusively at Chennai, Tamil Nadu or any other State as may be intimated by the Lender. Any decision or award as a result of any such arbitration proceeding 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 reasonable attorneys' fees. The arbitration proceeds shall include a written record of the arbitration hearing.



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3. The petitioner has invoked arbitration in accordance with the arbitration clause as per the provisions of section 21 of the Arbitration and Conciliation Act, 1996 by issuing notice to the respondents on 22.11.2024. The notice has also been served on the respondents but no reply was sent by the respondents. Since there is no consensus between the parties with regard to the name of the Arbitrator, the petitioner has filed this petition under Section 11 of the Arbitration and conciliation Act, seeking for appointment of an Arbitrator by this Court.

4. Till date, no counter has been filed by the respondents in this petition. Several opportunities were granted to the respondents to amicably settle the dispute. However, till date, the respondents have not settled the claim of the petitioner. Therefore, this Court will have to necessarily appoint an Arbitrator under Section 11 of the Arbitration and Conciliation Act, 1996, since there is no consensus between the parties with regard to the name of the Arbitrator.

5. For the foregoing reasons, this Arbitration Original Petition is allowed as prayed for by issuing the following directions :-



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a) This Court appoints Mr.V.Inbavijayan, Advocate, having office at G-2, Plot No.108, Majestic Colony, Valasarawakkam, Chennai - 600 087 (Cell.No.9840114287) as the sole Arbitrator to adjudicate the dispute between the parties arising out of the aforesaid Loan cum Hypothecation Agreement dated 01.09.2021.

(b) The Arbitrator shall be paid his /her remuneration / fees in accordance with the 4th schedule of the Arbitration and Conciliation Act, 1996.

(c) Both the parties shall equally share the arbitrator's fees.

(d) The Arbitrator shall conduct the arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and shall complete the arbitration within the specified time as prescribed under the said Act.

07-04-2025

Index: Yes/ No

Speaking order / Non speaking order

Neutral citation : Yes / No

vsi

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