

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-09-2025

CORAM

THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 337 of 2025

1. M/s.Shrinithi Capital Private
Ltd
Represented By its Chief
Manager.
Mr.R.Selvam, 2nd Floor, 2A,
Mookambika complex, No.4, Lady
Desika Road, Mylapore,
Chennai-600004.

2.Shriram Finance Limited
Represented by its Assistant
Credit Manager.Mr.M.Sakthivel
Sri Towers, Plot No.14A, South
phase Industrial Estate, Guindy,
Chennai-600032.

Appellant(s)

Vs

1. S.Umamaheshwari
W/o.Sripathy
No.15,Subhash Nagar,1st Street,
Puthagram,Kolathur,
Chennai-600099.

2.S.Naveenkumar S/o.Sripathy,
No.15, Subhash Nagar, 1st Street,
Puthagram, Kolathur,
Chennai-600099.

3.R. Mohanakrishnan,

S/o.Radhakrishnan
No.49, Pardan Street, Vgp Nagar,
Mogappair, Chennai-600037.

Respondent(s)

PRAYER

To Appoint a Sole Arbitrator to decide and adjudicate upon the dispute between the petitioner and respondents arising out of Loan cum Hypothecation Agreement 20.02.2023.

For Appellant(s): K.Sendurpandi
For M/s.Tamilselvan .A
Respondent(s):
Ilakiyaa .J
For Rr 1 And 2 Vak
Returned Dt.10.09.2025
D.No.35472/25
8939086571
P/n-aos.D.No. 30134, Dt.
30/07/2025 (R1 And R2-
Unclaimed / Rts And R3-
Unscientific Addressee)

ORDER

This petition has been filed to appoint a sole arbitrator to adjudicate and decide the dispute between the petitioners and the respondents arising out of the loan cum hypothecation agreement dated 20.02.2023.

2. The respondents have been served with notice and they are not represented either in person or through counsel.

3. Heard the learned counsel appearing on behalf of the petitioner and carefully perused the materials available on record.

4. The 1st respondent approached the 1st petitioner seeking for financial assistance for purchase of vehicle. In view of the same, the petitioner company extended a loan of a sum of Rs.15,00,000/- and this amount was supposed to be paid along with interest in 48 monthly installments commencing from 10.04.2023 and ending on 10.03.2027.

5. The 1st respondent is the borrower. The 2nd respondent is the co-borrower and the 3rd respondent is the guarantor under the loan agreement.

6. The 1st respondent became a chronic defaulter and as on 22.04.2025, a sum of Rs.7,62,990/- is due and payable by the respondents 1 and 2 along with interest.

7. The notice was sent to the respondents on 23.07.2024 and the respondents 1 and 2 have refused to receive the notice and the 3rd

respondent has received the notice and did not give any reply. It is under these circumstances, the present petition has been filed before this Court.

8. This Court is convinced that the parties are governed by a valid agreement as contemplated under Section 7 of the Arbitration and Conciliation Act, 1996 and the loan cum hypothecation agreement contains an arbitration clause at clause No.11, which is extracted hereunder:-

11. Arbitration

The Borrower and Guarantor agrees and confirms that

(a) All disputes, differences and rights or claims arising out of this agreement whether during its subsistence or thereafter shall be settled by Arbitration in accordance with the provisions of the Arbitration and conciliation Act, 1996 or any statutory amendments thereof and shall be referred to the sole arbitration of an Arbitrator nominated and appointed by "SFL" The award given by such an arbitrator shall be final and binding on all the parties to this agreement.

(b) In the event of such an Arbitrator to whom the matter has

been so referred, dying or becoming incapacitated due to health problems both mental and physical or does not pass the award within the reasonable period "SFL" shall appoint a new person to act as an Arbitrator. Such person shall be entitled to proceed with the reference from the stage at which it was left by his / her predecessor.

(c) The venue of Arbitration proceedings shall be chennai and the language of Arbitration proceedings shall be in

9. In view of the above, Mrs.S.Suba Shiny, Advocate (residing at Flat No.2A, Sara Apartments, No.11, 4th cross Street, CIR Colony, Mylapore, Chennai 600 004, Mobile No.9841434304, email shinyadv@gmail.com) is appointed as the sole Arbitrator and the Arbitrator is requested to enter upon reference qua the loan cum hypothecation agreement dated 20.02.2023, adjudicate the arbitral dispute that were arising between the parties by holding the sittings in any venue in Chennai to the convenience of all concerned and render an award. Fees of the sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC)(Administrative Cost and Arbitrator's Fees) Rules 2017.

7.This Arb. OP is disposed of in the above terms. There shall be
no order as to costs.

22-09-2025

rka

Index:Yes/No

Speaking/Non-speaking order

Internet:Yes

Neutral Citation:Yes/No

To

1.S.UMAMHESHWARI
W/o.SRIPATHY,
No.15,Subhash Nagar,1st Street,
Puthagram,Kolathur, Chennai-
600099.

2.S.Naveenkumar S/o.Sripathy,
No.15, Subhash Nagar, 1st Street,
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