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Arb. O.P. (Com. Div.) No. 328 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21.07.2025

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THE HON'BLE Mr. JUSTICE ABDUL QUDDHOSE

Arb.O.P (Com.Div.) No. 328 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

...Petitioner

vs.

1. Zadok Enterprises
Rep. by its Proprietor Pamila Grace Jebaseeli J
133, MIG NH1, Vallal Nalliakodan Street
Maraimalar Nagar, Kancheepuram-603209
Tamil Nadu.

2. Suseel Samuel S

...Respondents

Prayer : Arbitration Original Petition (Commercial Division) filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, praying to appoint /substitute a sole arbitrator to adjudicate upon the differences and disputes between the parties under the Loan Agreement and unattested Deed of Hypothecation dated 27.08.2022 in respect of Contract No.10151205.

For petitioner : Mr.M.Arunachalam
For Respondents : Set exparte

ORDER



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The notices sent to the respondents have been duly served. The acknowledgement cards along with the affidavit of service have been filed by the learned counsel for the petitioner. Despite serving notice on the respondents and printing the names of the respondents in the cause-list today, the respondents remain unrepresented. Hence, the respondents are set exparte.

2. This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking for appointment of an arbitrator.

3. There seems to be dispute between the petitioner and the respondents arising out of the Loan Agreement and Unattested Deed of Hypothecation bearing Contract No.10151205, dated 27.08.2022. There exists an arbitration clause in the Loan Agreement and Unattested Deed of Hypothecation bearing Contract No.10151205, dated 27.08.2022 and the same is extracted hereunder :-

“66. Dispute Resolution : 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



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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. 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.”

4. The petitioner has invoked arbitration in accordance with the arbitration clause by issuing notice to the respondents on 25.04.2024 to comply with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996. The respondents have not replied to the same. Since there is no consensus between the parties with regard to the name of the Arbitrator, this petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking for appointment of an Arbitrator.

5. Since the respondents have been set exparte in this petition and since there exists an arbitration clause in the Loan Agreement and Unattested Deed of Hypothecation bearing Contract No.10151205, which is the subject matter of the dispute between the parties and since the petitioner has invoked arbitration by issuing notice to the respondents



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on 25.04.2024, this Court has to necessarily appoint an Arbitrator under

Section 11 of the Arbitration and Conciliation Act, 1996.

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

- a) This Court appoints Mr.V.Balasubramanian, Retired District Judge, having address at No.B11, Third Floor, Tower Block, Tailors Road, Kilpauk, Chennai-600010, Mobile No.9443234904, is appointed as the sole Arbitrator to adjudicate the dispute between the parties arising out of the Loan Agreement and Unattested Deed of Hypothecation bearing Contract No.10151205 dated 27.08.2022.
- (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.

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ABDUL QUDDHOSE, J.

Maya

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