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Arb O.P(COM.DIV.) No. 4
of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-11-2025

CORAM

THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 473 of 2025

M/s Shriram Finance Limited,
(formerly known as M/s. Shriram
Transport Finance Company Ltd.,)
rep.by its Authorised Signatory
Mr.S.Vinothkumar
No.26, First Floor, Sri Balaji Building
Gundammor Street, Ammoor Road,
Walajapet, Vellore District-632513

Petitioner

Vs

1. R.Arumugam
S/o. Ramachandran,
No.444, VOC Street, Chettithagal,
Vanapadi, Walaja Taluk,
Ranipet District 632404

2. K.Ezhilarasu
No.98/387, Kamarajar Street,
Chettithagal, Vanapadi,
Walaja Taluk,
Ranipet District-632404



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Respondent(s)

PRAYER

To appoint a sole arbitrator to adjudicate upon the differences and disputes between the parties under the said Loan cum Hypothecation agreement dated 08.02.2021

For Petitioner: Ms.E.Santhanalakshmi

For Respondents: No appearance

ORDER

This original petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint an Arbitrator to adjudicate and decide the disputes between the petitioner and the respondents arising out of the loan cum hypothecation agreement dated 08.02.2021.

2. When this petition came up for hearing on 13.08.2025, this Court passed the following order:-

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

2. There seems to be a dispute between the petitioner and the respondents arising out of the Loan cum Hypothecation Agreement dated 08.02.2021. There exists an arbitration clause in the Loan cum Hypothecation Agreement dated 08.02.2021. The same is extracted hereunder:

'Article 22

Law, Jurisdiction, Arbitration



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'22(a)All disputes, differences and/or claim arising out of or in connection with this Agreement whether during its subsistence or thereafter shall be settled by arbitration in accordance with the provision of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof and shall be referred to the sole arbitration of an Arbitrator nominated by the Lender. The award given by such an Arbitrator shall be final and binding on the parties to this Agreement. In the event of incapacity or resignation or death of the sole arbitrator so appointed, the Lender shall be entitled to appoint another Arbitrator in place of the earlier Arbitrator and the proceedings shall continue from the stage at which the predecessor had left. Such a person shall be entitled to proceed with the reference from the stage at which it was left by the predecessor. Such a person shall be entitled to proceed with the reference from the stage at which it was left by his predecessor.

(b)The venue of arbitration proceedings shall be at Chennai. The language of arbitration shall be English.

(c)The Arbitrator so appointed herein above, shall also be entitled to pass an Award on the hypothecated asset and also on any other securities furnished by or on behalf of the Borrower.'

3.The petitioner has invoked arbitration in accordance with the arbitration clause by issuing notice to the respondents on 14.02.2025 to comply with the requirements of Section 21 of the Arbitration and Conciliation Act. No reply has been sent by the respondent for the same.

4.Since there exists an arbitration clause in the contract, which is the subject matter of the dispute between the parties and since there is no consensus between the parties with regard to



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the name of the Arbitrator and since the petitioner has complied with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996, this Court is issuing notice to the respondents returnable by 12.09.2025. Private notice is also permitted.”

3. Pursuant to the above order, notice was permitted to be served on the respondents. But, however, it was returned. In view of the same, this Court ordered for effecting paper publication. Accordingly, paper publication has been effected and affidavit of service has been filed. Even though the names of the respondents are printed in the cause list, there is no appearance either in person or through counsel.

4. In view of the above, this Court finds that there is a valid agreement in line with Section 7 of the Arbitration and Conciliation Act, 1996, which contains an arbitration clause. Hence this Court is inclined to appoint a sole Arbitrator in this case. Accordingly, Dr.R.Gowri, Advocate, having address for service at New No.53, Vadamalai Street, Vepery, Chennai 600 007, Mobile No.9840733669 is appointed as the sole Arbitrator and the learned Arbitrator is requested to enter upon reference qua the loan cum hypothecation agreement dated 08.02.2021, adjudicate the arbitral disputes that have arisen 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.



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5. This original petition is disposed of in the above terms. There shall be
no order as to costs.

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Index: Yes/No

Speaking/Non-speaking order

Internet: Yes/No

Neutral Citation: Yes/No

SS

To

1. Dr.R.Gowri

New No.53, Vadamalai Street

Vepery, Chennai 600 007

Mobile No.9840733669

2. The Director

Tamil Nadu Mediation and Conciliation

Centre-cum-Ex-Officio Member

Madras High Court Arbitration Centre

Chennai 600 104



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