



Arbitration Original Petition (Com.Div.) No.475 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17.12.2025

CORAM

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Arbitration Original Petition (Com.Div.) No.475 of 2025

M/s.Shriram Finance Limited,
(Formerly known as M/s.Shriram Transport
Finance Company Limited),
represented by its Authorised Signatory,
Mr.S.Vinothkumar,
No.26, First Floor, Sri Balaji Complex,
Gundammor Street, Ammoor Road,
Walajapet, Ranipet District – 632 513.

.... Petitioner

Vs.

1.S.Harishkumar
2.Suresh

.... Respondents

Arbitration Original Petition (Com.Div.) filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, praying to appoint a Sole Arbitrator to adjudicate upon the differences and disputes between the parties under the said Loan cum Hypothecation Agreement dated 24.05.2022.

For Petitioner : Mr.E.Santhanalakshmi

For Respondents : Ms.S.Revathy
for Mr.T.Saminathan [R1]



ORDER

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This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 [for brevity 'the Act'] for appointment of an Arbitrator to decide the dispute and differences between the petitioner and the respondents in terms of the Loan cum Hypothecation Agreement dated 24.05.2022.

2. When the matter 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 24.05.2022. There exists an arbitration clause in the Loan cum Hypothecation Agreement dated 24.05.2022. The same is extracted hereunder:

'Article 22

Law, Jurisdiction, Arbitration

'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 19.02.2025 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 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. After notice was served on the respondents, an attempt was made to amicably resolve the dispute between the parties. Hence, the parties were referred to Mediation Centre. When the matter was taken up for hearing today, it was informed that the parties were not able to arrive at a settlement and that the settlement talks failed.

4. Learned counsel for first respondent submitted that the respondents are willing to hand over the vehicle to the petitioner.



5. Learned counsel for petitioner submitted that as on date, the respondents are due and payable a sum of Rs.7,01,510/-.

6. In the light of the rival claims made by the parties, mere handing over of the vehicle by the respondents will not resolve the dispute. Therefore, this Court has to necessarily pass final orders in this petition.

7. In view of the above, this Court finds that there is a valid agreement between the parties in line with Section 7 of the Act and it also contains an arbitration clause.

In the light of the above discussion, this Court appoints Ms.Aparajitha Vishwanath, Advocate, 15/6, Deivasigamani Street, Royapettah, Chennai – 600 014, E-mail:aparajitha@jenasenan.com [Mobile No.96771 97190] as the sole Arbitrator and the sole Arbitrator is requested to adjudicate the arbitral disputes that had arisen between the parties and render arbitral award by holding sittings in the 'Madras High Court Arbitration Centre under the aegis of this Court' (MHCAC) as per Madras High Court Arbitration Proceedings Rules 2017 and fee of sole Arbitrator shall be in accordance with the Madras High Court Arbitration



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Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules
2017.

Accordingly, this petition is disposed of.

17.12.2025

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N.ANAND VENKATESH, J.

gm

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