



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21-04-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

A No. 1370 of 2026
in
Arb. Appln. No.1417 of 2025

M/s.Brewocrat Services Pvt. Ltd.,
Second floor, A- SF – 01 Block A.
Element one sector 47 49 Gurgaon,
Haryana 122 018.

..Applicant

Vs

M/s.Mercedes-Benz Financial Services India Pvt.
Limited, 5th Floor, Plot 8, Baashyam Willow
Square 9 & 10, First Street,
Thiru Vi Ka Industrial Estate, Guindy, Chennai-32,
Represented by its Authorised Signatory.

..Respondent

Prayer : Application is filed under Order XIV Rule 8 of the Original Side Rules
Read With Section 5 of the Limitation Act, to condone the delay of 37 days in
filing the set aside petition in Arb.Appln. No.1417 of 2025.

For Applicant: Mr. B. Dinesh Kumar

For Respondent: Mr.D.Pradeep Kumar



ORDER

WEB COPY

The respondent had applied under Section 9 of the Arbitration and Conciliation Act, 1996 in Arb. Appln. No.1417 of 2025 for appointment of an Advocate Commissioner to seize and take possession of the vehicle described in the schedule to the Judge's summons. By order dated 01.12.2025, the application was disposed of by appointing Mr.Prince Walia, Manager of the applicant, as the receiver to seize the vehicle. Pursuant thereto, the vehicle was seized and is currently in the possession of the respondent.

2. Learned counsel for the applicant submits that the order was issued *ex parte* and that the applicant became aware of such order only upon the vehicle being seized.

3. Although arbitral proceedings were initiated thereafter by the respondent, learned counsel for the respondent submits that de novo arbitration may be ordered by this Court because the arbitral tribunal was constituted unilaterally by the respondent. Learned counsel for the applicant consents to this course of action and to the appointment of a sole arbitrator by the Court.

4. The loan agreement contains a dispute resolution clause, which is set out below:



“82. Dispute Resolution: All claims and disputes arising under or relating to this Loan Agreement, 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 appointed 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 written record of the arbitration hearing. ”

Although the clause enables appointment of the sole arbitrator by the lender, such unilateral appointment has been held to be invalid by the Supreme Court.

5. Thus, this application is disposed of with the following directions:

(i) With the consent of parties, Mr. Roshan K. Balasubramanian, Advocate, No.6, Indian Chambers (SICCI), Ground & Second floors, Annex Building, Esplanade, Chennai – 108, Mobile No.9962097003, is appointed as



the sole arbitrator. Learned Arbitrator is requested to enter upon reference and adjudicate the dispute. The fees and expenses may be fixed by the learned arbitrator in consultation with the parties.

(ii) The respondent is restrained from selling or otherwise dealing with the vehicle viz., Mercedes-Benz GLS 400 D 4MATIC, bearing Engine No.65692980188464, Chasis No.WIN1679236M006913 and registered as HR26ES2111, without the leave of the arbitral tribunal.

(iii) It shall be open to the applicant to apply for interim relief in relation to the said vehicle before the arbitral tribunal.

21-04-2026

KJ

Copy To

Mr. Roshan K. Balasubramanian, Advocate,
No.6, Indian Chambers (SICCI),
Ground & Second floors, Annex Building,
Esplanade, Chennai – 108,
Mobile No.9962097003.



WEB COPY

A No. 1370 of 2



SENTHILKUMAR RAMAMOORTHY, J.

KJ

A No. 1370 of 2026
in
Arb. Appln. No.1417 of 2025

21-04-2026