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Arbitration Original Petition (Com.Div) No.339 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23.02.2026

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THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Arbitration Original Petition (Com.Div) No.339 of 2025

M/s.Shrinithi Capital Private Ltd.,
represented by its Chief Manager:
Mr.R.Selvam,
at 7th Floor, 2A, Mookambika Complex,
No.4, Lady Desika Road, Mylapore,
Chennai – 600 004.

.... Petitioner

Vs.

1.Sivanammal

2.Mahendran (Deceased)

3.M.Rajpriya

4.Rajalakshmi

[Respondents 3 and 4 are impleaded as legal
heirs of the deceased second respondent as
per order dated 09.02.2026 in A.No.493/2026] Respondents

Arbitration Original Petition filed under Section 11(6) of the
Arbitration and Conciliation Act, 1996, praying to appoint a Sole
Arbitrator to adjudicate the dispute between the petitioner and
respondents arising out of the Loan-cum-Hypothecation Agreement dated
12.07.2021.

For Petitioner : Mr.K.Sendurpandi



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 12.07.2021.

2. When this petition came up for hearing on 04.07.2025, this Court passed the following order:

“This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking for 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 12.07.2021. There exists an arbitration clause in the Loan cum Hypothecation Agreement, dated 12.07.2021 and the same is extracted hereunder :-

28. ARBITRATION :

All disputes, differences and / or claims arising out of this Agreement whether during its subsistence or there after shall be settled by arbitration in accordance with the provisions and the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof and shall be referred to the Sole Arbitrator having office at Chennai Tamil Nadu nominated by the Company. The Borrower and Guarantor gives full consent for the Arbitration to be conducted at Chennai Tamilnadu by the Sole Arbitrator nominated by the company. It is also agreed between both the parties that the fee of the Arbitrator shall be equally shared by them. The award given by such Arbitrator shall be final and binding on all parties to this Agreement. In the event of an appointed arbitrator dying or being unable or unwilling to



act as arbitrator for any reason, the Company on such death at the arbitrator or his inability or unwillingness to act as arbitrator, shall appoint another person to act as arbitrator. Such person shall be entitled to proceed with the reference from the stage left by his predecessor. The venue of arbitration proceedings shall be at Chennai or such other place/location/city which the Company at its discretion may decide from time to time.

3. The petitioner has invoked arbitration in accordance with the arbitration clause by issuing notice to the respondents on 05.09.2024 to comply with the requirement of Section 21 of the Arbitration and Conciliation Act, 1996. No reply has also received for 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.

4. Since there exists an arbitration clause in the contract, which is the subject matter of the dispute between the parties and since the petitioner has invoked arbitration by issuing notice to the respondents on 05.09.2024, this Court is issuing notice to the respondents, through Court as well as privately returnable by 28.07.2025.

5. Post the matter on 28.07.2025.”

3. Pursuant to the above order, it was brought to the notice of this Court that the second respondent died and hence, an application was filed in A.No.493 of 2026 to implead the legal heirs of the deceased second respondent. This application was allowed on 09.02.2026 and notice was ordered to the impleaded respondents 3 and 4.



4. Private notice has been served on the first respondent. When the matter was taken up for hearing today, affidavit of service has been filed.

It is seen that private notice sent to respondents 3 and 4 has been returned with an endorsement 'refused'. As the notice has been sent to the address mentioned in the application, there is a deemed service on the respondents 3 and 4. The name of the first respondent has been printed in the cause list. There is no appearance for respondents either in person or through pleader.

5. Heard learned counsel for petitioner and carefully perused the materials available on record.

6. As on today, there is a valid agreement dated 12.07.2021, which contains an arbitration clause and it satisfies the requirement of Section 7 of the Act.

7. In view of the above, this Court appoints Mr.S.R.Sundar, Advocate, 261/127, 2nd Floor, Rohith Towers, Angappa Naicker Street, Chennai – 600 001, E-mail: kasthuriandsundar@gmail.com [Mobile No.94440 55853] as the sole Arbitrator and the Sole Arbitrator is requested to adjudicate the arbitral disputes that had arisen between the



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

Accordingly, this petition is disposed of.

23.02.2026

Index:yes/no
Speaking Order/Non-speaking order
NCC:yes/no
gm



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N.ANAND VENKATESH, J.

gm

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