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Arb O.P(COM.DIV.) No. 41 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23.02.2026

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THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 41 of 2026

1. M/s.Shrinithi Capital Finance Co.,
Represented by its Partner Mr.P.Dayanithi,
at Old no.9/10, New No.113/7, B Block,
No.4, Inner ring Road, Balaji Nagar,
Ekkattuthangal, Chennai - 600 032.

2. Hinduja Leyland Finance
Represented by its Area Manager
Mr.Ashok, No.1, Sardar Patel Road,
Guindy, Chennai - 600 032.

Petitioners

Vs

1. S.Umamheshwari
2.R.Mohanakrishnan

Respondents

PRAYER Petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, praying to appoint a Sole Arbitrator to decide and adjudicate upon the dispute between the petitioner and respondents arising out of Loan cum Hypothecation Agreement 05.01.2023.

For Petitioners: Mr.K.Sendurpandi



ORDER

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This petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act') to appoint an arbitrator to resolve the dispute arising out of the loan-cum-hypothecation agreement dated 05.01.2023.

2. When the matter came up for hearing on 27.01.2026, this Court passed the following order:

“This petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act') to appoint a Sole Arbitrator to decide and adjudicate upon the dispute between the petitioner and respondents arising out of Loan cum Hypothecation Agreement 05.01.2023.

2.The agreement provides for referring the dispute for Arbitration under Article 22 and the same is extracted hereunder:-

“ARTICLE 22

LAW, JURISDICTION, ARBITRATION

22.1 (a) All disputes, differences and/or claim arising out of this Agreement whether during its subsistence or there after 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 by the Managing Director of the Lender. The award given by such an Arbitrator shall be final and binding on the Borrower to this Agreement.

(b) The Venue of Arbitration proceedings shall be at Chennai or as specified in the first schedule



(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.

22.2 It is agreed between the parties that subject to Arbitration clause mentioned above, this agreement shall be governed and construed in accordance with the substantive laws of India and for any interim reliefs the Court in Chennai or the court having Jurisdiction over the State/Branch office of the company as specified in the First Schedule there to shall have Jurisdiction to entertain and try all the matters arising from and out of this agreement.”

3.The trigger notice under Section 21 of the Act was issued on 23.07.2024 and the same has also been received by the respondents. Since there was no response, the present petition has been filed before this Court.

4. Notice to the respondent returnable by 23.02.2026. Private notice is also permitted.

Post this petition for hearing on 23.02.2026.”

3. Private notice has been duly served on the first respondent.

Private notice sent to second respondent was returned with an endorsement “insufficient address” and affidavit of service has also been filed. As the notice has been sent to the address given in the agreement, there is deemed service on the second respondent. The name of the first respondent has also been printed in the cause list. However, there is no representation on the side of respondents either in person or through a pleader. This Court finds that the parties are governed by a loan agreement dated 05.01.2023, which provides for referring the disputes to the Arbitrator under Article 22 of the agreement and it satisfies the requirement under Section 7 of the Act.



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N.ANAND VENKATESH, J.

gm

4. In view of the above, this Court appoints Mrs.S.Suba Shiny, Advocate, Flat No.2A, Sara Apartments, No.11, 4th Cross Street, CIR Colony, Mylapore, Chennai 600 004, Mobile No.9841434304, email-shinyadv@gmail.com 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 Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules 2017.

Accordingly, this petition is disposed of.

23.02.2026

Index: Yes/No
Speaking/Non-speaking order
Internet: Yes
Neutral Citation: Yes/No
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