



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 12TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE E.S. INDIRESH

CIVIL MISCELLANEOUS PETITION NO.21 OF 2025

BETWEEN:

M/S. KALANDRI CAPITAL PVT. LTD.
(A COMPANY INCORPORATED UNDER
THE INDIAN COMPANIES ACT, 2013)
HAVING ITS REGISTERED OFFICE AT:
NO.1/1, 3RD FLOOR, VINAYAKA TOWERS,
1ST CROSS, GANDHINAGAR,
BENGALURU,
KARNATAKA - 560 009.
REP. BY ITS AUTHORISED REPRESENTATIVE
MS. TEJASRI THAMMANA.

...PETITIONER

(BY SMT. RIDHIMA T., ADVOCATE FOR
SRI. THOMAS VELLAPALLY, ADVOCATE)

AND:

EMPOWER ENGINEERS PVT. LTD.
A COMPANY INCORPORATED UNDER
THE LAWS OF INDIA,
HAVING ITS REGISTERED OFFICE AT:
NO.8-3-293/B2/A/270/R/A/1,
PLOT NO.270E/A, MCH 985, ROAD
NO.10, JUBILEE HILLS,
HYDERABAD,
TELANGANA - 500 033.

...RESPONDENT

(BY SRI. PULAKESHI A.P., ADVOCATE)



THIS CIVIL MISCELLANEOUS PETITION IS FILED UNDER SECTIONS 11(5) AND 11(6) OF THE ARBITRATION AND CONCILIATION ACT, 1996, PRAYING TO APPOINT A SOLE ARBITRATOR FOR ADJUDICATION OF THE DISPUTE THAT HAVE ARISEN BETWEEN THE PARTIES UNDER THE WORKING CAPITAL DEMAND LOAN AGREEMENT DATED 20TH DECEMBER, 2021 VIDE ANNEXURE-D IN TERMS OF ARBITRATION PROVISION CONTAINED IN CLAUSE 22.16 OF THE SAID LOAN AGREEMENT.

THIS PETITION COMING ON FOR ADMISSION, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE E.S.INDIRESH

ORAL ORDER

In this petition, the petitioner is seeking an appointment of Sole Arbitrator for adjudication of the dispute that arisen between the parties under the Working Capital Demand Loan Agreement dated 20th December, 2021 (Annexure-D) in terms of the arbitration provision contained in Clause 22.16 of the said Agreement.

2. Heard Smt. Ridhima T., learned counsel on behalf of Sri. Thomas Velapally, appearing for the petitioner and Sri. Pulakeshi A.P., learned counsel appearing for he respondent.

3. Learned counsel appearing for the petitioner referred to the Working Capital Demand Loan Agreement dated 20th December, 2021 (Annexure-D) entered into between the



parties and submitted that the Clause 22.16 of the said Agreement provides for an appointment of Arbitrator for resolution of dispute, if any, between the parties as per the provisions of the Arbitration and Conciliation Act, 1996. Accordingly, she sought for interference of this Court.

4. Per contra, learned counsel appearing for the respondent invited the attention of the Court to Clause 22.15 of the said Agreement and submits that the only Courts and Tribunals of competent jurisdiction at Mumbai shall have exclusive jurisdiction with respect to any proceedings relating to the Agreement.

5. In reply, learned counsel appearing for the petitioner places reliance on the judgment of Hon'ble Supreme Court in the case of **ARIF AZIM COMPANY LIMITED vs. MICROMAX INFORMATICS FZE** reported in (2025) 9 SCC 750 and made a distinction between the seat of arbitration and venue of arbitration.

6. In the light of submission made by learned counsel appearing for the parties, it is not in dispute that, Clause 22.16 of the Working Capital Demand Loan Agreement dated 20th



December, 2021 provides for appointment of Arbitrator for resolution of dispute between the parties, however, Clause 22.15 provides for jurisdiction, which reads as Under:

"22.15. Jurisdiction

Subject to the Arbitration clause herein below only the courts and tribunals of competent jurisdiction at Mumbai shall have exclusive jurisdiction with respect to any proceedings relating to this Agreement."

(emphasis supplied)

7. On perusal of the language employed under Clause 22.15 of the aforesaid Agreement, the same would indicate that the parties have agreed for only the Courts and Tribunals of competent jurisdiction at Mumbai, shall have exclusive jurisdiction with respect to any proceedings relating to the Agreement. In that view of the matter, I am of the view that the judgment referred to above by learned counsel appearing for the petitioner is not applicable to the case on hand, since, in the said judgment, Hon'ble Supreme Court has formulated a test relating to 'closest connection test' and as such, determined the seat of Arbitration by identifying the law in which the Agreement to Arbitrate as evolved to the seat of Arbitration is concerned. Therefore, I find force in the



submission made by learned counsel appearing for the respondent.

8. It is open for the petitioner to approach the competent Court, seeking an appointment of Arbitrator in terms of Clause 22.15 of the Working Capital Demand Loan Agreement dated 20th December, 2021 (Annexure-D). Accordingly, Civil Miscellaneous Petition is ***dismissed.***

**SD/-
(E.S.INDIRESH)
JUDGE**

ARK
List No.: 1 Sl No.: 29