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Arb O.P(COM.DIV.) No. 116 of
2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28-10-2025

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THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 116 of 2025

1. Jey Agencies,
Represented by its proprietor
G.Balamurugan, having
registered office at No.4/99
V.E.Nagar, Tisaiyanvillai 627 657
Tirunelveli District

Now office at No.5, Jai Towers,
Abdul Razak, 1st Street, Near
Panagal Maligai, Opp Bank of
Baroda, Saidapet, Chennai 600
015

Applicant(s)

Vs

1. Mrs. Sarala Gupta,
W/o. M.L.Gupta

2.Ravi Gupta
S/o.M.L.Gupta

3.M L Gupta
No. 6/58, Beemanna Garden
Street, Ceebros, 3rd Floor,
Abhiramapuram,
Chennai - 600 018

Respondent(s)



PRAYER

(a) Appoint an Arbitrator to adjudicate the disputes between the Petitioner and the Respondents in terms of the Lease Agreement dated 10.06.2014 ,

For Appellant(s): M/s.
R.RAMASUBRAMANIAM
RAJA
For
Respondent(s): M/s. Rajendran Raghavan,
(803/1991)
A.D.Deepak Kumara,
(302/2025)
For Respondents Vakalat
D.No.25985/2025, Returned
10.07.2025
9841245597
P/n-aos.D.No. 12865, Dt.
27/03/2025 (R1 To R3-
Retuned)
P/n-aos.D.No. 20375, Dt.
10/06/2025

ORDER

This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as the Act) to appoint an arbitrator to adjudicate the disputes between the petitioner and the respondents in terms of the lease agreement dated 10.06.2014.

2. When this petition came up for hearing on 13.03.2025, this Court passed the following order:-



This petition has been filed under Section 11 of the Arbitration and Conciliation Act 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 two Rental Agreements both dated 01.06.2014. The petitioner is a tenant under the respondents. Earlier, in view of the dispute, the petitioner filed a Suit before the City Civil Court at Chennai. Since there exists an arbitration clause, the respondents filed an application under Section 8 of the Arbitration and Conciliation Act, 1996 seeking for referring the dispute to arbitration. The said application was dismissed by the City Civil Court. Aggrieved by the same, a C.R.P. was filed before this Court by the respondents. The C.R.P. was also dismissed by this Court. Aggrieved by the same, the respondents preferred a Civil Appeal before the Hon'ble Supreme Court. By order dated 08.09.2022 passed in Civil Appeal No.6354 of 2022, the Hon'ble Supreme Court allowed the Civil Appeal filed by the respondents. Therefore, the Section 8 Application came to be allowed by the Hon'ble Supreme Court. The Hon'ble Supreme Court, while allowing the Civil Appeal, directed the parties to go for mediation before the Madras High Court Mediation Centre. Since the Mediation has failed, the petitioner has invoked arbitration once again by issuing a notice to the respondents on 20.09.2023 as



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per the provisions of Section 21 of the Arbitration and Conciliation Act, 1996. The petitioner has nominated his Arbitrator. A reply was received from the respondents on 20.10.2023 to the arbitration invocation notice dated 20.09.2023. In the reply, the respondents have nominated their Arbitrator. The arbitration clause stipulates that the arbitration shall be conducted by the three member Arbitral Tribunal. According to the petitioner, there is no consensus between the Arbitrator appointed by the petitioner and the Arbitrator appointed by the respondents with regard to the name of the third Arbitrator. Only under those circumstances, this petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking for appointment of the third Arbitrator by this Court. The arbitration clause contains in the Rental Agreement dated 01.06.2014 is extracted hereunder:

'21.If any disputes, differences or controversies (collectively a dispute) arise between the parties in respect of this agreement, then they shall be attempt to resolve mutually through negotiations between the parties, failing which the same shall be referred for Arbitration. The arbitration shall take place in Chennai, Tamil Nadu and shall be conducted in English. Each party will nominate an arbitrator, these Arbitrators shall appoint another member by mutual consent.'



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3. Since there exists an arbitration clause in the contracts, which are the subject matters of the dispute between the parties and since the petitioner has invoked arbitration in accordance with the said clause by issuing a notice to the respondents as per the provisions of Section 21 of the Arbitration and Conciliation Act, 1996, this Court is issuing notice to the respondents returnable by 27.03.2025. Private notice is also permitted.

3. After the notice was served on the respondents, an attempt was made to amicably resolve the dispute and hence, the parties were referred to the Mediation centre.

4. When the matter was taken up for hearing today, the mediation report was placed before this Court and it is seen that the parties were not able to reach a settlement and no agreement was reached.

5. Heard M/s.R.Ramasubramaniam Raja, learned counsel for the petitioner and Mr.Rajendra Raghavan, learned counsel for respondents.



6. It is seen that there is a valid agreement between the parties in line with Section 7 of the Act and it also contains an arbitration clause.

7. The arbitration clause contemplates three member Arbitral Tribunal for a dispute between the landlord and tenant. If a three member Arbitral Tribunal is constituted, the parties will incur exorbitant cost. When the same was put to the learned counsel appearing on either side, they agreed for referring the matter to a sole arbitrator.

8. In view of the above, M/s.S.P.Arthi, A-3, Rukmani Terrace, 16/3, Leith Castle Centre Street, Santhome, Chennai 600 028, Mobile No.98840-24279, email id arthi.lawyer@gmail.com is appointed as sole Arbitrator and the Arbitrator is requested to adjudicate the arbitral dispute that were arising between the parties by holding the sittings in any venue in Chennai to the convenience of all concerned and render an award. Fees of the sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC)(Administrative Cost and Arbitrator's Fees) Rules 2017.



9. This Arb. OP is disposed of in the above terms. There shall be no order as to costs.

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Index:Yes/No

Speaking/Non-speaking order

Internet:Yes

Neutral Citation:Yes/No



To

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W/o. M.L.Gupta No.5, Jai Towers,
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600015

2. Ravi Gupta
No. 6/58, Beemanna Garden
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