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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 23.09.2025

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THE HONOURABLE Mr.JUSTICE N. ANAND VENKATESH

O.A.Nos.448 & 449 of 2025

AND

Arb. O.P.(Com. Div.) Nos.481 & 482 of 2025

M/s.EID Parry (India) Limited
'Dare House'
234, NSC Bose Road
Parrys Corner, Chennai 600 001
Rep. by Mr.Srinivas Muralidharan

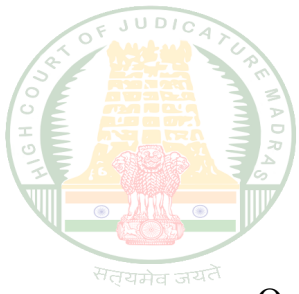
.. Applicant/Petitioner

Vs.

1.Gokul Sugar Industries Ltd.
Datta Nagar, A/P, Dhotri Tal
South Solapur, Solapur District
Maharashtra 413 228

2.Shiva Transport
Sole Proprietor Mr.Ashish Parikh
Manorath Flats, B/H Mother School
Shop No.5, Ground Floor, Gotri Road
Vadodara, Gujarat 390 021

.. Respondents



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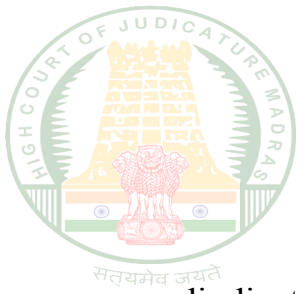
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O.A.No.448 of 2025: Original Application filed under Order XIV Rule 8 of the Original Side Rules read with Section 9(1)(ii)(a) & (e) of the Arbitration and Conciliation Act, 1996, to grant an *ad interim* injunction restraining the 1st respondent from supplying B-heavy molasses to any person, agent, company, third parties etc. without fulfilling its contractual obligation towards the applicant under the agreement dated 05.10.2024 entered between the applicant, 1st respondent and 2nd respondent.

O.A.No.449 of 2025: Original Application filed under Order XIV Rule 8 of the Original Side Rules read with Section 9(1)(ii)(a) & (e) of the Arbitration and Conciliation Act, 1996, to grant an *ad interim* injunction restraining the 1st respondent from supplying C-heavy molasses to any person, agent, company, third parties etc. without fulfilling its contractual obligation towards the applicant under the agreement dated 05.11.2024 entered between the applicant, 1st respondent and 2nd respondent.

Arb.O.P.(Com.Div.) No.481 of 2025 : Petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996, to appoint a sole Arbitrator to adjudicate the disputes arising out of the agreement dated 05.10.2024 as per Clause 24 of the agreement dated 05.10.2024.

Arb.O.P.(Com.Div.) No.482 of 2025 : Petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996, to appoint a sole Arbitrator to



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adjudicate the disputes arising out of the agreement dated 05.11.2024 as per Clause 25 of the agreement dated 05.11.2024.

For applicant/respondent : Ms.K.Madhumitha

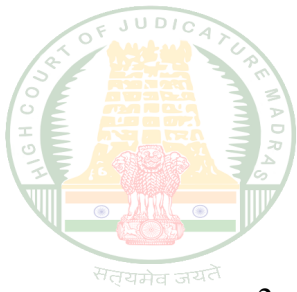
For 1st respondent : Ms.Preethika

For 2nd respondent : No appearance

COMMON ORDER

All these applications/petitions can be dealt together, since the issues involved are common and it arises under two agreements as between the same parties - (i) arising out of supply of B-heavy molasses; and (ii) arising out of supply of C-heavy molasses.

2. O.A.Nos.448 & 449 of 2025 have been filed under Section 9 of the Arbitration and Conciliation Act, 1996 (for brevity, hereinafter referred to as “the Act”) seeking for an order of interim injunction restraining the 1st respondent from supplying B-heavy molasses/C-heavy molasses to any person, agent, company, third parties *etc.* without fulfilling the contractual obligations towards the applicant under the agreements dated 05.10.2024 and 05.11.2024, respectively, entered into between the applicant, 1st respondent and 2nd respondent.



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3. These applications came up for hearing on 28.04.2025 and this Court passed the following order :

“These applications have been filed under Section 9 of the Arbitration and Conciliation Act, 1996 (in short “the Act”) seeking for an order of interim injunction to restrain the first respondent from supplying B Heavy Molasses and C Heavy Molasses to any third party without fulfilling their contractual obligations undertaken by them under the agreements dated 05.10.2024 and 05.11.2024.

2. The applicant apprehends that despite the undertaking given by the respondents under the agreements dated 05.10.2024 and 05.11.2024 that they shall not supply Molasses to any third party without fulfilling their contractual obligations to supply Molasses to the applicant, the respondents are likely to breach the contract by supplying Molasses to third parties.

3. The learned senior counsel for the applicant drew the attention of this Court to the agreements dated 05.10.2024 and 05.11.2024 and would submit that as seen from the said agreements, the respondent have given an unconditional undertaking that they shall not supply Molasses to any third party without fulfilling their contractual obligations under the agreements, wherein the respondents have agreed that certain specified quantity of Molasses will be supplied to the applicant. However, according to the learned senior counsel for the applicant, the same has not been fulfilled by the respondents. In view of the non-fulfillment of the supply of Molasses, the applicant had sought for refund of the monies paid by the applicant to the respondents. According to the learned senior counsel for the applicant, cheques issued by the respondents in favour of the applicant towards refund of the monies have also been returned dishonoured.

4. The relevant clause contained in the agreements, which makes it prima-facie clear that the respondents shall not supply Molasses to any third party before fulfilling their contractual obligations, is extracted hereunder:-

“4. EXCLUSIVITY

The Seller shall not supply Molasses to any third party before



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fulfilling its obligation under this agreement. The Purchaser shall have right to seek legal recourse including a relief in the nature of injunction restraining the Seller from selling to any third party. After fulfilling of the required contracted quantity, the Seller shall have the right to sell the remaining quantity of Molasses to other third parties.”

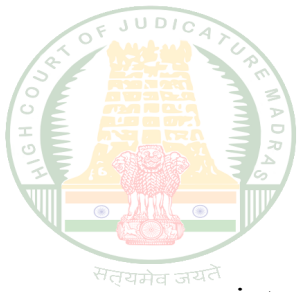
5. The applicant has already invoked the arbitration clause available under both the agreements, which are the subject matter of the dispute between the parties, by issuing notice to the respondents to comply with the requirement of Section 21 of the Act. To protect the interest of the applicant pending arbitration, these applications have been filed.

6. This Court, after giving due consideration to the exclusivity clause contained in both the agreements, which are the subject matter of the dispute between the parties, and after giving due consideration to the fact that cheques issued by the respondents in favour of the applicant towards refund of the monies have been returned dishonoured, is inclined to grant an order of interim injunction as prayed for in these applications, as a prima-facie case has been made out by the applicant. Balance of convenience and irreparable hardship have also been established from the averments contained in the affidavit filed in support of these applications. Accordingly, there shall be an order of interim injunction as prayed for in these applications.

Notice to the respondents through Court as well as privately returnable by 18.06.2025.”

4. Notices were received by the respondents and the 1st respondent is represented through counsel and the name of the 2nd respondent has been printed in the cause list and there is no appearance either in person or through counsel.

5. Arb.O.P.(Com.Div.) Nos.481 & 482 of 2025 have been filed for



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appointment of a sole Arbitrator to adjudicate the disputes arising out of the agreements dated 05.10.2024 and 05.11.2024, respectively, in exercise of powers under Section 11(5) of the Act, in line with Clauses 24 and 25 of the said respective agreements.

6. The above applications came up for hearing on 14.08.2025 and this Court passed the following order :

“These petitions have been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (in short “the Act”) seeking for appointment of an Arbitrator by this Court.

2. In both the petitions, the parties are one and the same. There seems to be a dispute between the petitioner and the respondents arising out of the following contracts.

(a) Agreement for purchase and transportation of B heavy molasses dated 05.10.2024.

(b) Agreement for purchase and transportation of C heavy molasses dated 05.11.2024.

3. In both the contracts, there exist an arbitration clause and the same is extracted hereunder:-

“25. GOVERNING LAW AND DISPUTE RESOLUTION

1. Any dispute, controversy or claim ("Dispute") arising out of, relating to, or in connection with this Agreement, termination or validity hereof shall initially be resolved by amicable negotiations between the senior executives of the Parties and, if not resolved through such negotiations within 30 (thirty) days of written notice of the existence of such Dispute, the Dispute shall, in accordance with and subject to the



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provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force, be referred to a sole arbitrator appointed by the mutual written consent of both Parties.

ii. The seat or venue of arbitration shall be Chennai, India and the arbitral proceedings shall be conducted in English.

iii. The arbitral award shall be in writing, state the reasons for the award, and be final and binding on the Parties concerned. The award may include an award of costs, including reasonable attorneys' fees and disbursements.

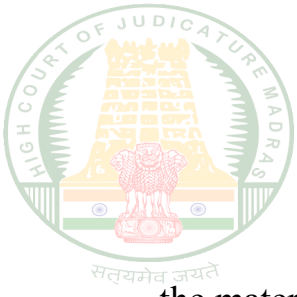
iv. This Agreement shall be governed by the laws of India. The courts within the jurisdictional limits of Chennai, India shall have exclusive jurisdiction to settle any disputes or claims arising out of this Agreement.”

4. The petitioner has invoked arbitration separately in both the contracts by issuing separate notice to the respondents on 26.04.2025 to comply with the requirements of Section 21 of the Act. The respondents have not sent any reply to both the notices.

5. Since there exist an arbitration clause in the aforesaid contracts, and since the petitioner has complied with the statutory requirements of Section 21 of the Act by issuing separate notice to the respondents on 26.04.2025, and since there is no consensus between the parties with regard to the name of the Arbitrator, this Court is issuing notice to the respondents through Court as well as privately returnable by 18.09.2025.”

7. Pursuant to the notices ordered in the above petitions, the 1st respondent has entered appearance through counsel. The name of the 2nd respondent has been printed in the cause list and there is no appearance either in person or through counsel.

8. This Court carefully considered the submissions made on either side and



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the materials available on record.

9. The entire dispute has arisen due to the alleged non-supply of the B-heavy molasses/C-heavy molasses under the agreements dated 05.10.2024 and 05.11.2024, respectively. According to the applicant/petitioner, the applicant had raised purchase orders on the 1st respondent and the advance amount has also been paid, after deduction of TDS to the tune of Rs.9.20crores (approximately) and Rs.6.52crores (approximately), respectively. In spite of that, molasses was not supplied. The same has given rise to the dispute between the parties.

10. Even when this Court passed the interim order in these applications, the same was taken into consideration and the interim order was granted in favour of the applicant. This interim order has been continuing from 28.04.2025.

11. In order to substantially resolve the dispute, petitions have also been filed for appointment of Arbitrator, after issuing the trigger notice under Section 21 of the Act. In view of the same, this Court is inclined to appoint an Arbitrator to



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resolve the dispute between the parties and continue the interim order till the Arbitrator enters reference and thereafter, the parties shall file an application under Section 17 of the Act, for continuation of the interim order, modification/vacating the interim order, etc.

12. In the light of the above discussion, Hon'ble Mr.Justice S.S.Sundar, Former Judge of Madras High Court (Mobile No.94442 38151), residing at No.5/20, Maraikayar Nagar, 6th Street, Neelangarai, Chennai, is appointed as Arbitrator to deal with the dispute that has arisen under two agreements dated 05.10.2024 and 05.11.2024. Since the seat of arbitration is in Chennai, the proceedings shall be conducted in a venue at Chennai. The learned Arbitrator shall fix the fees in accordance with the Madras High Court Arbitration Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules, 2017 and in line with the Fourth Schedule of the Act.

13. The interim order granted by this Court on 28.04.2025 shall continue. It is left open to the parties to move an application under Section 17 of the Act before the learned Arbitrator and seek for extension/modification/vacating the



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interim order and the same will be dealt with on its own merits and in accordance with law.

In the result, the Original Applications and the Arb. O.Ps. are disposed of in the above terms.

23.09.2025

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Index : Yes/No

Neutral Citation : Yes/No

**Registry to communicate this order
forthwith to the learned Arbitrator**



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N. ANAND VENKATESH, J.

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