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Arb O.P(COM.DIV.) No. 4
of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-11-2025

CORAM

THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 420 of 2025

Tata Capital Limited
Rep by its Authorised
Representative/Power Agent
Mr.Manoj.M
Registered Office At 11th Floor,
Tower A, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai-400013.

Branch Office at 1st Floor, Centennial
Square, 6A, Dr. Ambedkar Salai,
Kodambakkam, Chennai-600024.

Petitioner

Vs

1. Vanitha Enterprise
Proprietor Mrs.R.Latha
No.2, Lala Chatram, Yenaikkal Street,
Madurai, Tamil Nadu-625001.

2. R.Latha
Proprietor of Vanitha Enterprise,



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No.2, Lala Chatram,
Yenaikkal Street,
Madurai, Tamil Nadu-625001.

3. Ravichandran D,
Plot No.80, Door No 5/49, 1st Floor,
Gangai Street, Athikulam, Naganakulam,
Madurai, Tamil Nadu-625014.

Respondents

PRAYER

To appoint a sole Arbitrator to adjudicate upon the dispute arisen between the Petitioner and the Respondents

For Petitioner: Ms.Abitha Banu

For Respondents: Mr.P.Elayarajkumar for
M/s.Ramalingam Associates

ORDER

This original petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint an Arbitrator to adjudicate and decide the dispute between the petitioner and the respondents arising out of the loan cum guarantee agreement dated 07.11.2024.

2. When this petition came up for hearing on 23.07.2025, 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.



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2. There seems to be a dispute between the petitioner and the respondents arising out of the Loan cum Guarantee Agreement, dated 07.11.2024. There exists an arbitration clause in the aforesaid agreement and the same is extracted hereunder :-

13. Arbitration

If any dispute, difference or claim arises between any of the Obligors and the Lender in connection with the Facility or as to the interpretation, validity, implementation or effect of the Facility Documents or as to the rights and liabilities of the parties under these T & Cs or alleged breach of the Facility Documents or anything done or omitted to be done pursuant to the Facility Documents, the same shall be settled by arbitration by a sole arbitrator to be appointed as per the procedure below and to be held at such place as agreed by the parties in Serial No.17 of Annexure 1 hereto of the Agreement. The Party invoking the arbitration (“Claimant”) shall address a notice to the other party (“respondent”) suggesting the names of not more than three arbitrators, all of whom shall be either retired judges of the District Court, High Court or the Supreme Court or a lawyer having minimum 10 years' relevant experience. The Respondent shall either

i) Confirm in writing acceptance of one amongst the proposed names as the sole arbitrator to the Claimant within a period of ten (10) days from the date of notice (“Notice Period”); or

ii) Convey objection, if any, in writing to the Claimant, against the proposed names of the sole arbitrator within the said Notice Period. However, if the Claimant does not receive any response from the respondent within the said Notice Period, the Claimant shall be entitled to nominate any one person from amongst the proposed three names as the sole arbitrator and such arbitrator shall be deemed to be appointed by both the Parties. In the event, the Respondent conveys its objection as per (ii) above then the sole arbitrator will be appointed by a



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Court having jurisdiction. The arbitration shall be conducted under the provisions of the Arbitration and Conciliation Act, 1996 together with its amendments, any statutory modifications or re-enactment thereof for the time being in force. The arbitration proceeding shall be conducted in English language. The award of the arbitrator shall be final and binding on all Parties concerned. The cost of arbitration shall be borne by the Obligors.

3. The petitioner has invoked arbitration in accordance with the arbitration clause by issuing notice to the respondents on 27.05.2025 to comply with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996. The respondents have received the arbitration invocation notice, but they have chosen not to send any reply. 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 complied with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996 by issuing notice to the respondent on 27.05.2025, this Court is issuing notice to the respondents, through Court as well as privately returnable by 14.08.2025.

5. Post the matter on 14.08.2025. ”

3. Pursuant to the above order, notice was served on the respondents and they have engaged a counsel.



4. The learned counsel for respondents submitted that an attempt can be made to amicably settle the dispute between the parties. This submission was recorded by this Court on 22.09.2025 and the respondents were directed to approach the petitioner to settle the dispute. The matter was adjourned on two occasions in this regard.

5. When the matter was taken up for hearing today, the learned counsel for respondents submitted that he is reporting no instructions.

6. In the light of the above development, this Court will now proceed to pass final orders on merits. Since this Court finds that there is a valid agreement between the parties in line with Section 7 of the Arbitration and Conciliation Act, 1996, which contains an arbitration clause, this Court is inclined to appoint a sole Arbitrator. Accordingly, Mr.K.Moorthy, Advocate, having address for service at ZS Towers, No.261 (Old No.127), 2nd Floor, Angappa Naicken Street, Chennai 600 001, Mobile No.9444024809, email: moorthymoorthy@gmail.com is appointed as the sole Arbitrator and the learned Arbitrator is requested to enter upon reference qua the loan cum guarantee agreement dated 07.11.2024, adjudicate the arbitral disputes that have arisen 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.



7. This original petition 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/No

Neutral Citation: Yes/No

SS

To

1. Mr.K.Moorthy

ZS Towers

No.261 (Old No.127) 2nd Floor

Angappa Naicken Street

Chennai 600 001

Mobile No.9444024809

email: moorthymoorthy@gmail.com

2. The Director

Tamil Nadu Mediation and Conciliation

Centre-cum-Ex-Officio Member

Madras High Court Arbitration Centre

Chennai 600 104



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N.ANAND
VENKATESH J.

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