

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28.08.2025

CORAM

THE HONOURABLE MR JUSTICE ABDUL QUDDHOSE

Arb.O.P. (Com.Div.) No.458 of 2025

M/s.Tata Capital Limited

.. Petitioner

vs

1.ALV Trader

2.K.L.Alagurajan

3.Ambal A.

.. Respondents

Prayer: Arbitration Original Petition (Commercial Division) filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint a Sole Arbitrator to adjudicate upon the differences and disputes between the parties under the said Loan cum Guarantee (Channel Finance) Agreement dated 29.05.2024.

For Petitioner : Mr.M.Arunachalam

For Respondents : Set exparte

ORDER

As directed by this Court, the registry has printed the names of the respondents in the cause list today. The respondents were duly served. The acknowledgment cards have also been filed along with the affidavit of service. The respondents remain un-represented. Hence, the respondents are set exparte by this Court.

2.This petition has been filed under Section 11 of the Arbitration and

Conciliation Act, seeking for the appointment of an Arbitrator by this Court.

3. There seems to be a dispute between the petitioner and the respondents, arising out of the following agreements:

- a) Loan cum Guarantee Agreement (Channel Finance) dated 14.03.2020;
- b) Loan cum Guarantee Agreement (Channel Finance) dated 31.03.2021;
- c) Loan cum Guarantee Agreement (Channel Finance) dated 30.03.2022;
- d) Loan cum Guarantee Agreement (Channel Finance) dated 16.05.2023; and
- e) Loan cum Guarantee Agreement (Channel Finance) dated 29.05.2024.

There exist an arbitration clause in all the aforementioned contracts. The same is extracted hereunder:

12. 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 the Facility Documents 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 to be held at the place as mentioned at Serial No. 17 of Annexure 1 hereto, in accordance with the Arbitration and Conciliation Act, 1996, or any statutory amendments thereto and shall be referred to a sole arbitrator to be appointed by the Lender. The award of the arbitrator shall be final and binding on all parties concerned. The arbitration proceedings shall be in English language. Cost of arbitration shall be borne by the Obligors.

4. The petitioner has invoked arbitration in accordance with the arbitration clause by issuing notice to the respondents on 03.06.2025 to comply with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996. No reply has been received for the same.

5.Since there exists an arbitration clause in the contracts, which are 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 and since there is no consensus between the parties with regard to the name of the Arbitrator, this Court will have to necessarily appoint an Arbitrator by this Court as prayed for in this petition.

6.For the foregoing reasons, this Arbitration Original Petition is allowed by issuing the following directions:

(a)This Court appoints Mr.Abraham Vishal Jacob, Advocate, having address at 2nd Floor, A Block, Bannari Amman Towers, No.29, Dr.Radhakrishnan Salai, Mylapore, Chennai - 600 004, Mobile No.98846 31228 as the Sole Arbitrator to adjudicate the dispute between the petitioner and the respondents, arising out of the

a)Loan cum Guarantee Agreement (Channel Finance) dated 14.03.2020;
b)Loan cum Guarantee Agreement (Channel Finance) dated 31.03.2021;
c)Loan cum Guarantee Agreement (Channel Finance) dated 30.03.2022;
d)Loan cum Guarantee Agreement (Channel Finance) dated 16.05.2023;
and e)Loan cum Guarantee Agreement (Channel Finance) dated 29.05.2024, on merits and in accordance with law;

(b)The Arbitrator shall be paid his/her remuneration/fees in accordance with the 4th Schedule of the Arbitration and Conciliation Act, 1996;

(c)Both the parties shall equally share the Arbitrator's fees;

(d)The Arbitrator shall conduct the arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and shall complete the arbitration within the specified time as prescribed under the said Act.

No costs.

28.08.2025

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