



Arb.O.P.(Com.Divn.) No.515 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 27.10.2025

CORAM

THE HONOURABLE Mr. JUSTICE N. ANAND VENKATESH

Arb.O.P.(Com.Divn.) No.515 of 2025

M/s.Tata Capital Limited
Rep by its Authorised Power Agent
Having its Registered Office at
11th Floor, Tower-A, Peninsula Business Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai – 400 013.
Having one of its Branch Office at :
I Floor, Centennial Square, No.6A
Dr.Ambedkar Salai, Kodambakkam
Chennai – 600 024.

.... Petitioner

Vs

1.Royal Agencies
Represented by its Proprietor
Mohammed Mansoor P U
9/430, Pattiparambu
Thiruvillwamala, Thrissur
Kerala – 690 588.

2.Shamla.S
Pallivasal, Pattiparambu
Talappaly, Thrissur
Kerala – 680 588.

... Respondents



Arb.O.P.(Com.Divn.) No.515 of 2025

WEB COPY

Prayer : Application filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, praying to appoint an Arbitrator to adjudicate the disputes between the parties under the said Loan cum Guarantee (Chennai Finance) Agreement dated 31.05.2024 and pass orders.

For Petitioner : Mr.M.Arunachalam

For Respondents : Ms.K.Kalpika

ORDER

This petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 [for brevity hereinafter referred to as the “Act”] for appointment of an Arbitrator to adjudicate the dispute between the petitioner and the respondents.

2. When the matter came up for hearing on 28.08.2025, 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.



WEB COPY



Arb.O.P.(Com.Divn.) No.515 of 2025

2. *There seems to be a dispute between the petitioner and the respondents, arising out of the loan cum guarantee agreement (Channel Finance) dated 31.05.2024. The Master Terms and Conditions dated 17.11.2023 is also part of the loan cum guarantee agreement (Channel Finance) dated 31.05.2024. In the said agreement, there exists an arbitration clause, which is extracted hereunder:*



WEB COPY

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 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 02.07.2025 to comply with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996. No reply has been received for the same.



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 invoked arbitration in accordance with the arbitration clause by complying 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 is issuing notice to the respondents, returnable by 25.09.2025. Private notice is also permitted. ”

3. After notice was served on the respondents, the matter was listed today for final hearing.

4. Heard Mr.M.Arunachalam, learned counsel appearing for the petitioner and Ms.S.Kalpika, learned counsel appearing for the respondents.

5. This Court considered the submissions on either side and also the materials available on record. This Court finds that there is a valid agreement between the parties in line with Section 7 of the Act, and it also contains an arbitration clause. Hence, to resolve the dispute between the parties, the matter is referred to a Sole Arbitrator.



Arb.O.P.(Com.Divn.) No.515 of 2025

6. Mr.P.Valliappan, Senior Advocate, Office at No.21, (Old No.13-A)

Karpagambal Nagar, Mylapore, Chennai – 600 004, Ph.No.:24990099; Mobile No.9884176177, Email ID: valliappanadvocate@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 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 Arb. OP is disposed of in the above terms. There shall be no order as to costs.

27-10-2025

ds



WEB COPY



Arb.O.P.(Com.Divn.) No.515 of 2025

N. ANAND VENKATESH., J

ds

Arb.O.P.(Com.Divn.) No.515 of 2025

27.10.2025