

Original Application No.886 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03.09.2025

WEB COPY

CORAM

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Original Application No.886 of 2025

Sadhana Nitro Chem Limited,
Hira Baug, 1st Floor, Kasturba Chowk
(C.P.Tank), Mumbai - 400 004.

and also at:-

501, 5th Floor, Nanavati Mahalaya,
18 Homi Mody Street, Fort,
Mumbai, Maharashtra - 400 001.

represented by its Director,
Mr.Abishek Asit Javeri

.... Applicant

Vs.

1.Vivriti Capital Private Limited,
Prestige Zackria Metropolitan No.200/1-8
2nd Floor, Block 1, Anna Salai,
Chennai - 600 002.

2.Manekchand Panachand Trading
Investment Company Private Limited,
1st Floor, Hira Baug C.P.Tank Road,
Mumbai - 400 004.

3.Catalyst Trusteeship Limited
GDA House, First Floor,
Plot No.85, S.No.94 & 95,
Bhusari Colony (Right),
Kothrud, Pune - 411 038.

.... Respondent

PRAYER



Original Application No.886 of 2025

To grant an Interim injunction against Respondent No. 1 its directors, employees, agents, representatives, or any person claiming through or under them, from enforcing and / or encashing undated cheques provided by the Applicant under Master General Terms Agreement dated 05.09.2022, Master Rental Agreement dated 12.09.2023 and Master Lease Agreement dated 11.06.2024 personal guarantees of Respondent No.4 dated 05.09.2022, 16.09.2022, 25.11.2022, 14.12.2022, 31.05.2024 and 14.06.2024 personal guarantees of Respondent No.5 dated 05.09.2022, 16.09.2022, 25.11.2022, 14.12.2022, 31.05.2024 and 14.06.2024, and corporate guarantees of Respondent No.2 dated 05.09.2022, 16.09.2022, 25.11.2022, 14.12.2022, 11.07.2023, 31.05.2024 and 24.06.2024 and/ or take any precipitate action against the applicant under any other security documents provided to respondent Nos. 1 and/ or 3 in respect of the Master General Terms Agreement dated 05.09.2022, Master Rental Agreement dated 12.09.2023 and Master Lease Agreement dated 11.06.2024.

For Applicant : Mr.P.S.Raman, Senior Counsel
for Mr.Arun C Mohan

For Respondents : Mr.S.Arjun Suresh [R1]
Mr.Advaidh Nelakanttan [R2]

ORDER

This application has been filed under Section 9 of the Arbitration and Conciliation Act, 1996 (for brevity 'the Act') seeking for interim injunction against the first respondent, its directors, employees, agents, representatives or any other person claiming under them from enforcing and/or encashing undated cheques provided by the applicant under the agreements and/or take any precipitate action against the applicant under any other security documents provided by other respondents.

2. Heard Mr.P.S.Raman, learned Senior Counsel appearing for



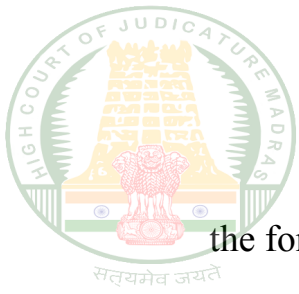
Original Application No.886 of 2025

applicant and Mr.S.Arjun Suresh, learned counsel for first respondent and

Mr.Advaidh Nelakanttan, learned counsel for second respondent.

3. The case of the applicant is that the applicant was desirous of obtaining certain credit facilities and leasing facilities from the first respondent. In furtherance of this objective, the applicant and the first respondent entered into a Master General Terms Agreement [MGTA] dated 05.09.2022, Master Rental Agreement [MRA] dated 12.09.2023 and Master Lease Agreement [MLA] dated 11.06.2024. These agreements aimed at providing different credit/leasing facilities to the applicant.

4. The further case of the applicant is that they continued to service their obligation till June'2025. In the month of June'2025, it is stated that the applicant committed default in their obligation under the MGTA. Hence, the first respondent addressed a notice dated 23.06.2025 to the applicant and also to the personal guarantors calling upon them to rectify the default. Subsequently, on 07.07.2025, the first respondent addressed a letter to the applicant and also to the personal guarantors informing that the first respondent is going to invoke the Fixed Deposit in



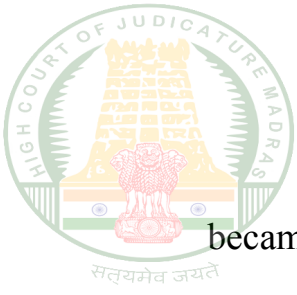
Original Application No.886 of 2025

WEB COPY

the form of Debt Service Reserve Account [DSRA] being three months of principal and interest, due to non-receipt of scheduled repayments.

5. The further case of the applicant is that they received yet another notice dated 11.07.2025 from the first respondent for invoking the pledge for the purported default committed by the applicant under the MGTA, MRA and MLA. The applicant requested the first respondent not to invoke the pledge. However, by notice dated 17.07.2025, the first respondent terminated the MRA and MLA and on the same day, the first respondent addressed yet another letter to the applicant and to the personal guarantors recalling the term loan under the MGTA and invoking the arbitration.

6. The further case of the applicant is that on 11.08.2025, the third respondent filed a disclosure under Regulation 29(2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, with the Bombay Stock Exchange and the National Stock Exchange. The applicant learnt that the first respondent had invoked the pledge over 2,71,05,286 shares being the total number of shares pledged by the second respondent in favour of the third respondent. The applicant further



Original Application No.886 of 2025

WEB.COM

became aware of the fact that the third respondent had filed another disclosure dated 13.08.2025 disclosing that it has sold totally 72,46,119 shares. The subsequent disclosure of the third respondent dated 20.08.2025 further disclosed that a total of 1,98,59,167 shares were also sold.

7. It is alleged by the applicant that the information contained in those disclosure letters are false and it did not reveal the actual value of the shares. The first respondent also addressed an e-mail dated 07.08.2025 informing the applicant about the balance dues payable under various facilities as on 30.06.2025 after adjustment of the amounts from DSRA towards MGTA, MRA and MLA.

8. It is under these circumstances, the present application has been filed before this Court seeking for interim injunction against the first respondent from enforcing and/or encashing undated cheques by the applicant or to take any precipitate action against the applicant.

9. Learned counsel for the first respondent denied the claims that were made by the applicant and he submitted that as on date, a sum



Original Application No.886 of 2025

of Rs.4½ crores is due and payable by the applicant.

WEB COPY

10. Learned counsel for the second respondent, who is the promotor guarantor submitted that if this Court appoints any Arbitrator, he will consent for the same and participate in the proceedings even though the second respondent does not have an arbitration clause in the guarantee agreement that he had entered with the first respondent.

11. In the considered view of this Court, the trigger notice dated 17.07.2025 under Section 21 of the Act has already been issued by the first respondent. Hence, instead of spending time dealing with the application under Section 9 of the Act, it will be more appropriate for this Court to appoint an Arbitrator mutually agreed by both sides and refer the matter for arbitration.

12. This Court expressed its mind and both sides fairly submit that this Court can appoint any retired Judge of this Court as an Arbitrator.

13. Taking into consideration the facts and circumstances of the case and considering the nature of dispute between the parties and also



Original Application No.886 of 2025

taking note of the fact that the trigger notice dated 17.07.2025 has already been issued by the first respondent to the applicant to refer the matter for arbitration, this Court is inclined to grant interim protection for a limited period and refer the parties to the Arbitral Tribunal.

14. In the light of the above discussion, this Court is inclined to appoint Hon'ble Mr.Justice Sanjib Banerjee, Former Chief Justice, Madras High Court & Meghalaya High Court, Greater Kailash I, C96, New Delhi - 110 048, sanjibbanerjeej@gmail.com as the sole Arbitrator and the Hon'ble sole Arbitrator is requested to enter upon reference *qua* MGTA dated 05.09.2022, MRA dated 12.09.2023 and MLA dated 11.06.2024, adjudicate the arbitral disputes that had arisen between the parties and render arbitral award by holding sittings in the 'Madras High Court Arbitration Centre under the aegis of this Court' (MHCAC) as per Madras High Court Arbitration Proceedings Rules 2017 and fee of Hon'ble sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules 2017.

N.ANAND VENKATESH, J.

gm



Original Application No.886 of 2025

WEB COPY

15. This Court is inclined to grant interim protection as sought for by the applicant till 24.09.2025. In the mean time, necessary follow up steps shall be taken and application shall be filed before the Hon'ble Tribunal under Section 17 of the Act and the Hon'ble sole Arbitrator shall deal with the same on its own merits and in accordance with law.

This application is disposed of in the above terms.

03.09.2025

Speaking/Non-speaking order

Index : Yes / No

Neutral Citation : Yes / No

gm

Original Application No.886 of 2025