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Arb Appln No. 456 of :



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02-02-2026

CORAM

THE HONOURABLE Mr.JUSTICE N. ANAND VENKATESH

Arb Appln No. 456 of 2025

Cholamandalam Investment And Finance Co Ltd
Chola Crest, C 54 and 55, Super B-4, Thiru Vi Ka
Industrial Estate, Guindy, Chennai

Applicant(s)

Vs

1.M/s.C J Enterprises India Pvt. Ltd.
1302, 13th Floor, 5-4-156 T19 Tower
MG Road, Ranigunj, Hyderabad 500 003

2.Pankaj Chowdry

3.Srivatsa Janaswamy

4.Dhanashekar Muniswamy

5.M/s.M N M Marketing Pvt Ltd
40-26-24, L V Ramesh Street
Beside Balaji Towers, Labbipet, Vijayawada

6.M/s.CMR Textiles and Jewellers Pvt Ltd
No. 32-9-43/1, Beside Ayyappa Swamy Temple
SheelaNagar, Visakhapatnam

7.M/s.Dress Circle
No 194 195, Ground Floor, Sarala Grand
Bannerhatta Road, OPP HSBC Circle
Arakere Gate, Arakere Bangalore

8.Gurram Venkateswarlu

9.M/s.Kasam Industries
No. D-13, III floor, Industrial Estate
Mulugu Road, Warangal



10.M/s.R S Brothers India Pvt Ltd
No.7-2-1740, Opp to Fire Station, Main Road
Sanath Nagar, Hyderabad

11.M/s.Sai Silk Kalamandir
Flat No.1, Shop No. 6-3-790/8, Bathina Apts Main
Road, Ameerpet, Opp. Chermas Hyderabad
Also at No.9438, Panjagutta Officers Colony
Ameerpet, Hyderabad 500 016

12.M/s.Tipsy Topsy
D No, 40/1, 54-A 1/8B, M G Road, Model Town
West Labbipet, Vijayawada

13.M/s.Unistyle Corporation
Jet Bhavan Jeeyar Education, No.1-2-412/1/3ABC
Level 1 IV, B V Lane 4, Domalguda, Hyderabad

14.M/s.P N Fashion
D.No.8-2613/55/1, Udaynagar No 6
Number Street 11 Road, Banjara Hills, Hyderabad

Respondent(s)

PRAYER

To pass an order prohibiting the Garnishee from making payment of a sum of Rs.1,94,03,642.50/- or any amount to the Respondents or to their men, agents, representatives, or to anyone claiming on respondents behalf and restrain the respondents or their men, agents, representatives or anyone claiming on respondents behalf from receiving a sum of Rs.1,94,03,642.50/- or any amount from the Garnishee and further direct the Garnishee to deposit the sum of Rs.1,94,03,642.50/- or any amount to the credit of the above application.

For Applicant(s): Mr.D.Pradeep Kumar

For Respondent(s): Ms.Ramapriya Gopalakrishnan
for RR1 to 4

ORDER

This application was filed under Section 9 of the Arbitration and Conciliation Act, 1996 (in short “the Act”) prohibiting the garnishee from making the payment of Rs.1,94,03,642.50/- to the respondents and for a further



direction to deposit the sum of Rs.1,94,03,642.50/- to the credit of the above application.

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2.This Court ordered notice to the respondents and the respondents engaged a counsel and appeared before this Court and stated that they will take all steps to settle the matter amicably with the applicant. Accordingly, the matter was adjourned from time to time. When the matter was taken up for hearing on 01.09.2025, this Court upon hearing both sides and on considering the intention of the respondents to settle the dispute, passed the following order:

“Heard the learned counsel for applicant and the learned counsel for the respondents 1 to 4. It is apparent that the applicant is claiming for a sum of approximately Rs.1.90 crores, for which the applicant has sought for a garnishee order. A settlement was attempted and the respondents were willing to settle to the tune of Rs.75 lakhs as against the total claim made by the applicant.

2. In the considered view of this Court, considering the fact that there were transactions between the parties, it will be more appropriate if the respondents are able to make one time settlement of Rs.1 crore to the applicant. If any such offer is made by the respondents, the applicant can be persuaded and the matter itself can be resolved amicably.

3. Post this case under the caption 'for reporting settlement' on 15.09.2025.”

3.Even after the above order was passed by this Court, nothing was forthcoming and hence, once again, an opportunity was given by this Court while passing the order on 26.09.2025 and the same is extracted hereunder:

“When the matter was taken up for hearing today, the learned counsel for respondents submitted that since one of the partner has fallen ill, there is some difficulty for the other partners to make the payment. The learned counsel further submitted that steps are being taken to sell the property and to settle the amount. Hence, the learned counsel seeks for four weeks time.



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2. Per contra, the learned counsel for the applicant submitted that the applicant has already reduced the total dues from 1.90 Crores to Rs.75 lakhs and as per the agreement, a sum of Rs.25 lakhs ought to have been settled by the end of this month and the balance should be settled by the end of next month. However, till date, not a single pie has been paid by the respondents.

3. Considering the submissions made on either side, it is made clear that the entire amount of Rs.75 lakhs will be settled on or before 31.10.2025. It is made clear that if the settlement is not made, this Court will pass orders on merits.

4. Post this application for hearing on 03.11.2025.”

4.The application was again posted for hearing on 19.01.2026. On that day, learned counsel for respondent sought for time to take instructions. Hence, this Court proceeded to pass the following order:

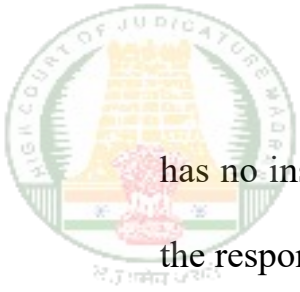
“When the matter was taken up for hearing, the learned counsel for the applicant submitted that till date only a sum of Rs.12 lakhs has been paid by the respondents. The learned counsel appearing on behalf of the respondents submitted that he wants some more time to take instructions in this case.

2. Even in the previous order, this Court took into consideration the fact that the applicant was claiming a total sum of Rs. 1.90 crores and after some negotiation, this Court directed the respondents to pay a sum of Rs.75 lakhs on or before 31.10.2025. Till date, the respondents have paid a sum of Rs.12 lakhs. If the respondents are not in a position to pay the amount or the respondents are seeking for extension of time, the respondents are expected to file a proper application before this Court and assign reasons. It is quite surprising that the respondents did not care to file any application till date even though the time granted by this Court has expired on 31.10.2025.

3. In view of the above, considering the fact that the respondents have not complied with the order passed on 26.09.2025, there shall be an order prohibiting the garnishee from making any payment to the respondents till 02.02.2026.

Post this application under the caption “For orders” on 02.02.2026.”

5.When the matter was taken up for hearing today, learned counsel for the respondent submitted that his client has not come forward with any offer and he



has no instructions on the proposed settlement that was intended to be made by the respondent.

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6. In the light of the above development, the order passed by this Court on 19.01.2026, is made absolute. There shall be a further direction to the respondents 6 to 12 to deposit whatever sums are due and payable to the applicant to the credit of A.No.456 of 2025, within a period of four weeks from the date of receipt of a copy of this order. On such deposit, the entire amount shall be transferred to a fixed deposit earning interest and it shall be renewed from time to time.

7. The applicant has already issued the trigger notice and did not proceed further, since the respondents gave an impression that they are going to settle the dispute. Now that the dispute is not getting settled at this stage, there shall be a direction to the applicant to proceed further to appoint a sole Arbitrator in accordance with law and refer the dispute between the parties to the Arbitral Tribunal.

This application is disposed of in the above terms.

02-02-2026

gya

Index: Yes/No

Neutral Citation: Yes/No



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N.ANAND VENKATESH, J.
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