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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02-02-2026

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THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 766 of 2025

Prakalpa Automotives Pvt. Ltd.,
H.No.28, CTS No.4673/1, Kalpataru,
1st Cross, Pragati Colony, Vidyanagar,
Hubli, Karnataka - 580 021.
Represented by its Managing Director

Petitioner(s)

Vs

1. Ashok Leyland Ltd
No.1, Sardar Patel Road, Guindy,
Chennai, Tamil Nadu - 600 032.

Respondent(s)

PRAYER Petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, praying to appoint a Sole Arbitrator to adjudicate the disputes between the Petitioner and the Respondent in terms of the arbitral clause i.e., Clauses 40.1 and 40.2 of the Vehicle Dealership Agreement between Petitioner and the Respondent dated 18th January 2021.

For Petitioner(s): Ms.P.Meghana Nair

For Respondent(s): Mr.Navod Prasannan

ORDER

This petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (for the sake of brevity, hereinafter referred to as 'the



Act') for appointment of a Sole Arbitrator to adjudicate the disputes between the petitioner and the respondent in terms of the Vehicle Dealership Agreement dated 18.01.2021.

2. When the matter came up for admission on 01.12.2025, this Court passed the following order:

This petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act') to adjudicate the disputes between the petitioner and the respondent in terms of the Vehicle Dealer Agreement dated 18.01.2021.

2. The Vehicle Dealer Agreement provides for referring the dispute for Arbitration under Clause 40 and the same is extracted hereunder:-

‘40. ARBITRATION

40.1 In the event of differences/disputes, the parties will resolve the same by mutual negotiations. Any unresolved disputes shall be referred for arbitration under the Indian Arbitration and Conciliation Act, 1996 to a suitably appointed arbitrator under mutual consent. The decision of the arbitrator will be final and binding on both parties and the venue of such arbitration shall be in Chennai. The language shall be English.

40.2 The parties subject to this agreement shall subject themselves to the exclusive jurisdiction of courts in Chennai alone.’

3. The trigger notice under Section 21 of the Act was issued on 29.03.2025 and the same has also been received by the respondents. Since there was no response, the present petition has been filed before this Court.



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4. Notice to the respondents returnable by 12.01.2026. Private notice is also permitted.

Post this petition for hearing on 12.01.2026.

3. After service of notice, the respondent is represented through counsel and the respondent has also filed counter in this petition.

4. Heard the learned counsel for the petitioner and the learned counsel appearing on behalf of the respondent.

5. The respondent in the counter has broadly raised two objections. The first objection is that the claim made by the petitioner is barred by limitation. The second objection is that the petitioner has raised certain claims which goes beyond the period of dispute which is now sought to be referred to the Sole Arbitrator.

6. The learned counsel for the petitioner submitted that it is a running account and therefore, whatever claims to which the petitioner is entitled, will be raised before the Sole Arbitrator.

7. In the considered view of this Court, the issue that has been raised on the side of the respondent cannot be gone into while dealing with this



application. This Court must only see if there is a valid agreement between the parties in line with Section 7 of the Act and whether it contains an arbitration clause, nothing more, nothing less. Useful reference can be made to the judgement of this Court in ***S.Krishnamoorthy, Sole Proprietor of Sri Ram Engineering Company, No.6, G.P.Mahal, New Sidhapudur, Coimbatore vs. Engineering Projects India Ltd., 3-d, EC Chmbers, 92, GN Chetty Road, Tnagar, Chennai-17*** reported in ***2025 4 LW 716***.

8.The issue that has now been raised on the side of the respondent can be raised as a preliminary issue before the Sole Arbitrator under Section 16 of the Act and the same will be dealt with by the Sole Arbitrator on its own merits and in accordance with law after affording opportunity to the parties.

9.In the light of the above discussion, this Court is inclined to appoint a sole Arbitrator. Accordingly, **Hon'ble Mr.Justice.N.Paul Vasanthakumar, Former Chief Justice, High Court of Jammu and Kashmir, No.24-A, 2nd Street, Kamaraj Avenue, Adayar, Chennai 600 020 [Mobile: 94443 90958] Email: justicenpv@gmail.com**, is appointed as sole Arbitrator. The sole Arbitrator is requested to enter upon reference, adjudicate upon arbitrable disputes that have arisen between the parties. It is left open to the parties and the Sole Arbitrator to decide on the venue and the mode of appearance during the proceedings subject to their convenience and fees 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.

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10.This petition is disposed of in the above terms. No Costs.

02-02-2026

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No
ssr



To

1.Hon'ble Mr.Justice.N.Paul
Vasanthakumar(Retd),
Former Chief Justice, High Court of
Jammu and Kashmir,
No.24-A, 2nd Street,
Kamaraj Avenue,
Adayar,
Chennai 600 020
[Mobile: 94443 90958]
Email: justicenpv@gmail.com

2. The Director
Tamil Nadu Mediation and Conciliation
Centre-cum-Ex-Officio Member
Madras High Court Arbitration Centre
Chennai - 104.



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7/7

Arb O.P(COM.DIV.) No. 766 of 2



N.ANAND VENKATESH J.

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Arb O.P(COM.DIV.) No. 766 of 2025

02-02-2026