



CNR: KAHC010109012026

NC: 2026:KHC:54033
CMP No. 72 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 29TH DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

CIVIL MISC. PETITION NO. 72 OF 2026

BETWEEN:

M/S ARSI TRADERS
RASIKLAL ESTATE, BEHIND AMARNATH ESTATE,
AHMEDABAD-BOMBAY HIGHWAY SIDE,
NEAR NAROL CHAR RASTA, NAROL,
AHMEDABAD - 382405
REP. BY ITS VIRAJ ROHIT KUMAR SHAH
PARTNER IN M/S ARSI TRADERS
ARBITRATION CONCILIATION ACT-1996

...PETITIONER

(BY SRI. RAHUL KRISHNA REDDY P, ADVOCATE FOR
SRI. PRASANNA KUMAR P., ADVOCATE)

AND:

M/S KARNATAKA SOAPS AND DETERGENTS LTD.,
P.B NO. 5531, No.27, INDUSTRIAL SUBURB,
BENGALURU-PUNE HIGHWAY,
RAJAJINAGAR,
BENGALURU 560055

...RESPONDENT

(RESPONDENT SERVED)

THIS CMP IS FILED U/S. 11(6) OF ARBITRATION AND
CONCILIATION ACT PRAYING TO APPOINT AN ARBITRATOR TO
ARBITRATE THE DISPUTES BETWEEN THE PETITIONER AND
THE RESPONDENT AS PER THE AGREEMENT / PURCHASE
ORDER DATED 05.10.2023 IN TERMS OF CLAUSE NO. 13 OF

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HAREKOPPA THIMMANNA GOWDA





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THE SAID AGREEMENT / PURCHASE ORDER (PRODUCED VIDE ANNEXURE A) AND CONSEQUENTIALLY SET ASIDE THE UNILATERAL APPOINTMENT OF ARBITRATOR BY THE RESPONDENT PRODUCED VIDE ANNEXURE H AND TO GRANT SUCH RELIEFS AS THIS HON'BLE COURT DEEMS FIT AND EXPEDIENT IN THE CIRCUMSTANCES OF THE CASE, IN THE INTEREST OF JUSTICE AND EQUITY.

THIS PETITION, COMING ON FOR ADMISSION, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

ORAL ORDER

1. This petition is filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (for short, "the Act"), seeking appointment of a sole Arbitrator for adjudication of the disputes that have arisen between the parties under the Purchase Order dated 05.10.2023, particularly in terms of Clause 13 thereof, produced at Annexure-A.

2. The brief facts of the case are that the petitioner was the successful bidder pursuant to E-Tender No.5513 invited by the respondent-Karnataka Soaps and Detergents Limited (KSDL) for supply of 8" Machine Made Raw Agarbathi Sticks. Pursuant thereto, a Purchase Order

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No.Agr-03 dated 05.10.2023 was issued for the supply of 458.860 MTs at the rate of Rs.75,000/- per MT plus applicable GST. On 26.03.2024, the respondent rejected a consignment of 10,100 kgs on the ground of quality issues. The petitioner explained that the issue was due to extreme weather conditions affecting the drying process and requested the respondent to dry the consignment under sunlight. However, the respondent rejected the consignment again on 01.08.2024 and, invoking Clauses 07, 08 and 11 of the Purchase Order. Further, through a letter dated 07.08.2024 cancelled the pending quantity of 161.583 MTs, forfeited a portion of the security deposit and bank guarantee, imposed a penalty of Rs.3,00,000/- and initiated steps for blacklisting the petitioner. The petitioner submitted a request for review appeal dated 08.08.2024 seeking re-testing of the consignment, which was not considered by the respondent. As the disputes arose between the parties, the petitioner, invoking the arbitration clause contained in the Purchase Order, issued



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a notice dated 16.08.2024 vide Annexure-G, to the respondent under Section 21 of the Act. However, the respondent unilaterally appointed Mr.Basavaraj S. Tadahal as the Sole Arbitrator on 18.09.2024. The petitioner did not agree with appointment of the said sole arbitrator.

3. The said arbitration clause 13 of the Purchase Order reads as under:

"13. ARBITRATION: Should any dispute arise in connection with any matter forming the subject matter of this Order, the case will be referred to Arbitration by an Arbitrator to be named by the Company Managing Director, who shall conduct the arbitration accordance with the Indian Arbitration Act and the Rules there under."

4. Pursuant to the said notice dated 16.08.2024, the respondent, vide Annexure-H dated 18.09.2024, unilaterally appointed Mr.Basavaraj S.Tadahal as the Sole Arbitrator. Being aggrieved by the same, the present petition is filed seeking appointment of a Sole Arbitrator.



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5. Notice issued by this Court has been duly served upon the respondent. However, there is no representation on behalf of the respondent.

6. Having regard to the existence of the arbitration clause contained in the Purchase Order, which provides for resolution of disputes arising between the parties, and the fact that the petitioner has duly invoked the said arbitration clause by issuing notice under Section 21 of the Act, this Court is of the opinion that a Sole Arbitrator is required to be appointed for adjudication of the disputes between the parties.

7. Accordingly, the following:

ORDER

- a) Civil Miscellaneous Petition is **allowed**.
- b) Smt.K.A.Lalitha, retired District Judge is appointed as the Sole Arbitrator in the present case to arbitrate the disputes between the parties at the Arbitration and Conciliation Centre (Domestic & International), Bengaluru,



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as per the Rules governing the said Arbitration Centre.

- c) All the claims and contentions of the parties are left open.
- d) Registry is directed to communicate this order via e-mail to the Arbitration and Conciliation Centre (Domestic & International), Khanija Bhavan, Bengaluru, and also to the sole Arbitrator.
- e) Registry is directed to return all the original documents produced by any of the parties after obtaining Photostat copies of the same.
- f) Parties are directed to appear before the Director, Arbitration and Conciliation Centre, Bengaluru, on **29.10.2026** at 11:30 a.m.

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**(H.T. NARENDRA PRASAD)
JUDGE**