



WEB COPY



Arb.O.P (Com.Div.) No. 148 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 19.06.2025

CORAM

THE HON'BLE Mr. JUSTICE ABDUL QUDDHOSE

Arb.O.P (Com.Div.) No. 148 of 2025

Ayesha Sithika, W/o.Syed Aaqeel Ahmed

...Petitioner

vs.

M/s.VIDVEDAA PRG AERO AND
PORTS VOYAGE PVT LTD

Rep. by its Director, Mr.Vanchinathan Thangavel
Olympia Teknos Park, Level – 4
Plot No.28, SIDCO Industrial Estate
Guindy, Chennai-32

...Respondent

Prayer : Arbitration Original Petition (Commercial Division) filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, praying to appoint an Arbitrator to go in to the dispute between the petitioner and the respondent in respect of letter of intent contract agreement dated 26.09.2023 and pass such other or further orders as this Court may deem fit and proper in the circumstances of the case.

For petitioner : Mr.P.Sidharthan

For Respondent : Mr.S.Aswinraj

ORDER

This petition has been filed under Section 11 of the Arbitration and Conciliation Act, seeking for appointment of an arbitrator.



WEB COPY

2. There seems to be a dispute between the petitioner and the respondent arising out of a Letter of Intent Contract Agreement dated 26.09.2023. The Letter of Intent Contract Agreement dated 26.09.2023 contains an arbitration clause, which is extracted hereunder:

"30. All disputes and differences arising out of or in any way touching or concerning this Agreement (except those the decision whereof is otherwise herein before expressly provided for or to which the AAI ACT, 1994 and the rules framed there-under which are now enforce or which may here-after come into force are applicable), shall, in the first instance, be referred to a Dispute Resolution Committee (DRC) setup at the airports, for which a written application should be obtained from the party and the points clearly spelt out. In case the dispute is not resolved within 45 days of reference, then the case shall be referred to the sole arbitration of a person to be appointed by the Licensor/AAI. The award of the arbitrator so appointed shall be final and binding on the parties. The Arbitration & Conciliation Act 1996 as amended up to date shall be applicable. Once the arbitration clause has been invoked, the DRC process will cease to be operative. It will be no bar that the Arbitrator appointed as aforesaid is or has been an employee of the Licensor/AAI and the appointment of the Arbitrator will not be challenged or be open to question in any Court of Law, on this account. Before making a reference to Dispute



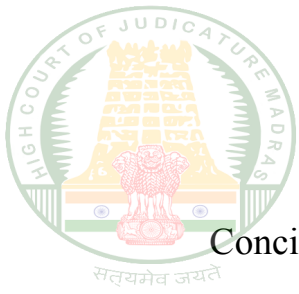
WEB COPY



Arb.O.P (Com.Div.) No. 148 of 2025

Resolution Committee, the licensee will have to first deposit 50% of the disputed amount (in the form of BG (Additional Bank Guarantee with validity of minimum two years from the date of making reference to DRC, and further extendable) /DD/PO/NEFT) with AAI and the consent shall be given by the licensee for acceptance of the recommendations of the Dispute Resolution Committee. The case shall be referred to the sole Arbitrator by the Chairman/Member/ RED of the Authority, subject to the condition that the licensee shall have to deposit 50% of the disputed amount (in the form of BG (Additional Bank Guarantee with validity of minimum two years from the date of making reference to DRC, and further extendable)/ DD/PO/ RTGS/ NEFT) with Licensor/AAI as condition precedent before making reference to the Arbitration for adjudication of dispute. During the arbitral and Dispute resolution proceedings, the licensee(s) shall continue to pay the full amount of license fee/dues regularly as per the award/agreement and perform all covenants of the agreements. The tenure of arbitration shall be in Chennai only."

3. The petitioner has invoked arbitration in accordance with the arbitration clause by issuing notice to the respondent on 28.11.2024 to comply with the requirements of Section 21 of the Arbitration and

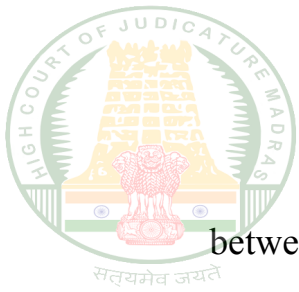


Conciliation Act. A reply has also been received to the said arbitration invocation notice from the respondent. A rejoinder has also been sent by the petitioner to the same. Since there was no consensus between the parties with regard to the name of the arbitrator, the petitioner has filed this petition under Section 11 of the Arbitration and Conciliation Act, seeking for appointment of an arbitrator.

4. Sufficient opportunity has been granted to the respondent to file counter. Till date no counter has been filed. Typed set of papers has been filed on the side of the respondent without filing a counter.

5. The learned counsel for the respondent would submit that the respondent is questioning the validity of the Letter of Intent Contract Agreement dated 26.09.2023, which is the subject matter of the disputes between the parties, which contains an arbitration clause, according to the petitioner. He does not dispute the signature of the respondent in the Letter of Intent dated 26.09.2023.

6. Since there exists an arbitration clause in the Letter of Intent Agreement dated 26.09.2023, which is the subject matter of the dispute



between the parties and since the petitioner has complied with Section 21

of the Arbitration and Conciliation Act, this Court has to necessarily appoint an arbitrator as prayed for in this petition by granting liberty to the respondent to raise all objections with regard to the arbitrability of the dispute as well as with regard to the validity of the Letter of Intent dated 26.09.2023 before the Arbitrator appointed by this Court either by filing an application under Section 16 of the Arbitration and Conciliation Act, 1996 or by filing a counter in the main Arbitral Proceedings.

7. For the foregoing reasons, this Arbitration Original Petition is allowed as prayed for by issuing the following directions :-

- a) This Court appoints Mr.N.Venkataraman, Advocate, having office at Third Floor, Caithness Hall, No.157, New No.323, Linghi Chetty Street, Chennai – 600001, (Mobile No.99400-18043) as the sole Arbitrator to adjudicate the dispute between the parties arising out of the Letter of Intent Contract Agreement dated 26.09.2023.
- (b) The Arbitrator shall be paid his/her remuneration / fees in accordance with the 4th schedule of the Arbitration and Conciliation Act, 1996.



WEB COPY



Arb.O.P (Com.Div.) No. 148 of 2025

ABDUL QUDDHOSE, J.

Maya

- (c) Both the parties shall equally share the arbitrator's fees.
- (d) The Arbitrator shall conduct the arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and shall complete the arbitration within the specified time as prescribed under the said Act.

19.06.2025

Index: Yes/ No
Speaking order / Non speaking order
Neutral citation : Yes / No

Maya

Arb.O.P (Com.Div.) No. 148 of 2025