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Arb.O.P.(Com. Div.) No.186 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 24.07.2025

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THE HON'BLE MR. JUSTICE ABDUL QUDDHOSE

Arb.O.P.(Com. Div.) No.186 of 2025

M/s.Samunnati Agri Value  
Chain Solutions Pvt. Ltd.

... Petitioner

Vs.

Jaspreet Kaur

... Respondent

**PRAYER:** Petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 to appoint a sole arbitrator to adjudicate the dispute between the petitioner and the respondent in terms of the arbitration agreement dated 15.12.2023 and to direct the respondent to pay the cost.

For Petitioner : Guru Prasad M.R.

For Respondent : B. Mughundhan

**ORDER**

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

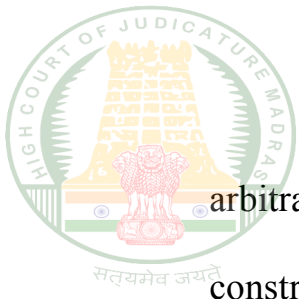


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2. There seems to be a dispute between the petitioner and the respondent arising out of the memorandum of arrangement dated 15.12.2023. There exists an arbitration clause in the memorandum of arrangement dated 15.12.2023 and the same is reproduced hereunder:

11. Any dispute with regard to this arrangement and undertaking between us and Samunnati (Dispute) shall be resolved by mutual negotiations between the Parties. In case such Disputes are not resolved within a maximum period of 30 days from the commencement of the Dispute, such Disputes shall be resolved under Indian Arbitration & Conciliation Act, 1996. The Disputes shall be referred to a sole arbitrator to be mutually appointee by the Parties. The decision of the sole arbitrator shall be final and binding on both the Parties. The seat of arbitration shall be in Chennai and the language used in arbitration proceedings shall be English. The fees of the sole arbitrator shall be borne/shared by the Parties equally. All other costs and expenses of the arbitration shall be borne by the Party as the arbitrator may award.

3. The petitioner had earlier initiated arbitration by issuing notice to the respondent on 15.05.2024 to comply with the requirements of Section 21 of the Arbitration and Conciliation, 1996. They also approached the Council for National and International Commercial Arbitration (CNICA) (Arbitral institution) through their letter dated 21.05.2024, requesting the said institution to nominate an arbitrator to adjudicate the dispute between the parties. The institution also appointed an arbitrator, who acted upon the reference. However, since the respondent objected to the unilateral appointment of an arbitrator by the petitioner, the arbitrator appointed by the institution had recused himself from proceeding further with the

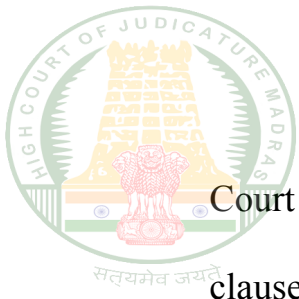


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arbitration. Only under those circumstances, the petitioner has been constrained to file this petition under Section 11 of the Arbitration and Conciliation, 1996, seeking for appointment of an arbitrator by this Court.

4. A counter has been filed by the respondent, raising objections by stating that the memorandum of arrangement dated 15.12.2023 cannot be acted upon for the purpose of the petitioner initiating arbitration. According to the respondent, no monies are due and payable by the respondent to the petitioner in respect of the goods supplied by the petitioner to the respondent. According to the respondent, the memorandum of arrangement dated 15.12.2023 can be acted upon only prospectively and not retrospectively.

5. The contentions of the respondent, as raised in the counter, cannot be adjudicated by this Court in an application under Section 11 of the Arbitration and Conciliation, 1996. Under Section 11 of the Arbitration and Conciliation, 1996, this Court has got only a limited scrutiny. Once there exists an arbitration clause in the contract, which is the subject matter of dispute between the parties and the dispute is an arbitrable dispute, this



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Court will have to necessarily appoint an arbitrator as per the arbitration clause, if there is no consensus between the parties with regard to the name of the arbitrator. The objections raised by the respondent are objections on the merits of petitioner's arbitral claim and if at all can be adjudicated only by the arbitrator either in an application filed by the respondent under Section 16 of the Arbitration and Conciliation, 1996 or through her statement of defence filed in the main arbitration claim made by the petitioner.

6. For the foregoing reasons, since there exists an arbitration clause in the memorandum of arrangement dated 15.12.2023 and since the petitioner has complied with the requirements of Section 21 of the Arbitration and Conciliation, 1996, and since there is no consensus between the parties with regard to the name of the arbitrator, this Court has to necessarily appoint an arbitrator as prayed for in this petition.

7. Accordingly, this Arbitration Original Petition is allowed as prayed for by issuing the following directions:

(a) Mr. N.C. Ramesh, Senior Advocate, who is having office at No.6/47, North Road, West C.I.T. Nagar, Behind Nandi Statur, Chennai - 600 035 (Mobile No.98412 12720) is appointed as the sole Arbitrator to



decide the dispute between the petitioner and the respondent arising out of the memorandum of arrangement dated 15.12.2023;

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(b) The Arbitrator shall be paid his remuneration / fees in accordance with the 4th schedule of the Arbitration and Conciliation Act, 1996 or as per the mutual consent of both the parties;

(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.

8. However, liberty is granted to the respondent to raise all objections before the arbitrator, including the objections that she has raised through her counter filed in this petition either by filing an application under Section 16 of the Arbitration and Conciliation, 1996 or through her statement of defence filed in the main arbitral claim made by the petitioner.

**24.07.2025**

Index : Yes/No  
Speaking Order : Yes / No  
Neutral Citation Case: Yes / No  
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**ABDUL QUDDHOSE. J.,**

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