



Arb O.P(COM.DIV.) No.41  
of 2024



IN THE HIGH COURT OF JUDICATURE AT MADRAS

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**DATED: 15-09-2025**

CORAM

**THE HONOURABLE MR JUSTICE N. ANAND VENKATESH**

**Arb O.P(COM.DIV.) No. 409 of 2024**

S.Mani  
91, West street,  
Marakkanam and Post,  
Marakkanam Taluk,  
Villupuram District – 604 303

Petitioner

Vs

1. Union of India

Represented by the Deputy Secretary  
to the Government  
Ministry of Industry and Commerce  
Department of Industrial Policy and  
Promotion (Salt Section)  
Udhyog Bhavan  
New Delhi

2. The Salt Commissioner

Government of India  
2A, Lavan Marg, Lavan Bhavan  
Jhalana Doongri  
Jaipur 302 004



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3. The Deputy Salt Commissioner  
Government of India  
26, Haddows Road  
Shastri Bhavan  
Chennai 600 006

4. The Factory Officer  
Marakkanam Salt Office,  
Marakkanam and Post  
Marakkanam Taluk  
Villupuram District

Respondents

**PRAYER**

To appoint a sole Arbitrator or as sole arbitrator Hon'ble Retd Judge Bharathidhasan already appointed by the Hon'ble High Court of Madras in many of writ petitions.

For Petitioner : Mr.S.Mani  
Party-in-Person

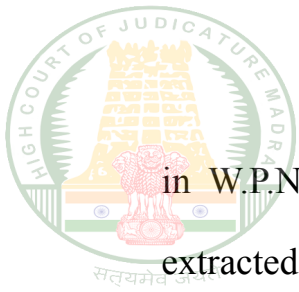
For Respondents : Dr.K.Kannan  
Senior Panel Counsel

**ORDER**

This petition has been filed under Section 11(6)(c) of the Arbitration and Conciliation Act, 1996 for appointment of a sole Arbitrator.

2. Heard the petitioner/party-in-person and the learned Senior Panel Counsel for the respondents.

3. This petition has been filed pursuant to the order passed by this Court



in W.P.No.11130 of 2021 dated 15.02.2023 and the relevant paragraphs are extracted hereunder:-

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“4. One K.Subramaniya Pillai was the beneficiary having two licences to manufacture salt. Those licences were L.Nos.18 and 6 in Marakkanam. The said Subramaniya Pillai had two wives, Dhanalakshmiammal and Amirthammal. He was exercising rights to manufacture salt even prior to 1925. He died in the year 1925. He executed a Will. Very wisely, he had bequeathed L.No.18 to Dhanalakshmiammal and L.No.6 to Amirthammal. The writ petitioner is concerned with the L.No.18 given to the Dhanalakshmiammal.

5.It is claimed by the petitioner that Dhanalakshmiammal did not have any children and therefore, the licence fell to the hands of her brother Mannathapillai. Thereafter, it went to the son of Mannathapillai namely, Shanmugam. The petitioner is the son of Shanmugam.

6.The petitioner claims that Dhanalakshmi died in the year 1971 and thereafter, as the brother's grandson, he had the privilege of operating or manufacturing salt in L.No.18 and he has been doing salt manufacturing from the year 1972. Originally, the lease, according to him was for a period of 8 years, but an examination of the document shows that there was a registered lease from the year 1978 to 1998 and yet another registered document from 1998 to 2018, more specifically till 30.09.2018. The lease period expired on 30.09.2018. It was not extended. That is the cause of grievance of the petitioner herein. The respondents had taken possession of the lands covered under L.No.18 on 01.10.2018.

7.The petitioner also has another grievance. According to



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him, L.No.6 which fell to the benefit of Amirthammal has not been interfered with by the respondents and the lease still subsists in favour of her legal heirs.

8.A perusal of the lease deed shows that, an arbitration clause therein can be invoked, if there are disputes arising out of the terms of the lease deed. The clause is as follows:

“23.In the event of any question, dispute or difference arising in respect of or in connection with this indenture (except as to any matters, the decision of which is specially provided for by these presents) the same shall be referred to the sole arbitration of the Salt Commissioner to the Government of India or of some other person appointed by him. It will be no objection that the arbitrator is a Government servant, that he has to deal with matters to which these presents relate to that in the course of his duties as a Government servant, he has expressed views on all or any of the matters in dispute or difference. The award of the arbitrator shall be final and binding on the parties to this indenture. It is a term of this clause that no person other than the Salt Commissioner Government of India or the person appointed by him should act as arbitrator and that, if for any reason, that is not possible, the matter shall not to be referred to arbitration at all. The arbitrator may, with the consent of the parties, enlarge the time from time to time for making and publishing the award. Subject



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as aforesaid, the Arbitration Act, 1940 and the rules there under and any statutory modification thereof for the time being in force shall be deemed to apply to the arbitration proceedings under this clause.□”

9.The Party-in-Person who is present in Court has been informed about this particular arbitration clause. It would only be advisable that he takes recourse to such arbitration clause to address the disputes he has raised.

10.The issue of arbitrability of the dispute will naturally arise. The Hon'ble Supreme Court had settled that particular issue in the judgment reported in 2021 2 SCC 1, Vidya Drolia V. Durga Trading Corporation, wherein a reference was made to three Judges of the Hon-ble Supreme Court about arbitrability of a dispute. The Hon'ble Supreme Court held that the issue of arbitrability of a dispute will have to be examined only by the arbitral tribunal and the Court should not enter into a discussion on the same.

11.Another issue which has to be addressed is the delay in seeking to constitute the arbitral tribunal. The lands were taken away on 01.10.2018. The writ petition came to be filed before this Court on 13.02.2020. It is thus seen that within a period of 13 months the writ petition has been filed. Filing of the writ petition itself shows that the petitioner is anxious to seek reliefs. He had approached a wrong forum. I would not hold it against him.

12. A liberty is given to the petitioner to take necessary recourse to seek constitution of an arbitral tribunal in accordance with the agreement, which he himself had signed and according to which, if there are disputes, the



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parties should be referred to arbitration.

13.Mr.N.Ramesh, learned Central Government Standing Counsel, however, pointed out that a similar issue had been examined in a batch of matters in W.P.No.34859 of 2021 and batch, dated 22.12.2021, by a learned Single Judge in The Salt Manufactures and Merchants Association, Tuticorin Rep. by its president V. Union of India Rep.by the Deputy Secretary to the Government, Ministry of Industrial & Commerce Dept. of Industrial Policy & Promotion (Salt Section), Udhyog Bhavan and others.

14.It is stated that the learned Single Judge after detailed examination of similar issues about extension of lease held that there is no existing right to seek extension of rights.

15.The clause relating to settlement of disputes through arbitration had not been pointed out to the learned Single Judge and had also not been addressed in the order.

16.Here, the lease deed is clear. The terms are clear. The terms are simple. The terms state that, if there is a dispute, the parties should invoke the arbitration clause and refer the dispute to arbitration. The petitioner is granted that particular liberty.

17.Let the petitioner invoke that particular clause and seek the matter to be referred to arbitration with respect to all issues including the issue of compensation either by the respondents against the petitioner or by the petitioner against the respondents. Non-payment of lease amount can be examined by the arbitral tribunal. The petitioner should invoke the arbitration clause on or before 10.03.2023. If it is done so, I would place an obligation on the arbitral tribunal not to put the issue of limitation or delay in approaching the arbitral tribunal and proceed to hear the



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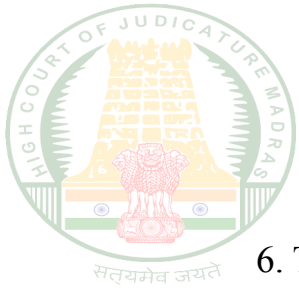


matter on merits.

18.It is also stated that there is a Civil Suit which is pending, but I am sure that the petitioner will be able to wriggle his way through the Civil Court and also before the arbitral tribunal. I would leave that decision to the wisdom of the petitioner.”

4. The learned Senior Panel Counsel appearing on behalf of the respondents submitted that this petition is not maintainable, since the trigger notice under Section 21 has not been issued.

5. This Court does not want to go into the technical ground raised by the learned Senior Panel Counsel, since the petition was filed only pursuant to the order passed by this Court in W.P.No.11130 of 2021. Taking into consideration the fact that the entire dispute that has been raised by the petitioner can be resolved before the Arbitrator, this Court appoints Mrs.Kavitha Rameshwar, Advocate, with address for service at 3<sup>rd</sup> Floor, Canara Bank Building, No.257, Angappa Naicken Street, Chennai 600 001, (Mobile: 98844 70612) (Email: [rklegal2005@gmail.com](mailto:rklegal2005@gmail.com)) as the sole Arbitrator and the learned Arbitrator is requested to enter upon reference, adjudicate the arbitral disputes that have arisen between the parties by holding the sittings in any venue in Chennai to the convenience of all concerned and render an award. Fees of the sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC)(Administrative Cost and Arbitrator's Fees) Rules 2017.



6. This original petition is disposed of in the above terms.

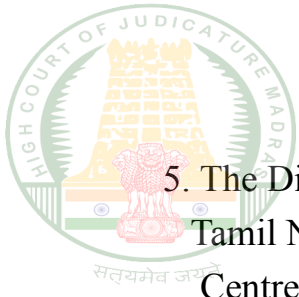
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**Registry is directed to communicate  
the copy of order forthwith**

To

1. The Deputy Secretary to Government of India  
Ministry of Industry and Commerce  
Department of Industrial Policy and  
Promotion (Salt Section)  
Udhyog Bhavan  
New Delhi
2. The Salt Commissioner  
Government of India  
2A, Lavan Marg, Lavan Bhavan  
Jhalana Doongri  
Jaipur 302 004
3. The Deputy Salt Commissioner  
Government of India  
26, Haddows Road, Shastri Bhavan  
Chennai 600 006
4. The Factory Officer  
Marakkanam Salt Office  
Marakkanam and Post  
Marakkanam Taluk  
Villupuram District



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5. The Director

Tamil Nadu Mediation and Conciliation  
Centre-cum-Ex-Officio Member  
Madras High Court Arbitration Centre  
Chennai 600 104

6. Mrs.Kavitha Rameshwar

Advocate

3<sup>rd</sup> Floor, Canara Bank Building  
No.257, Angappa Naicken Street  
Chennai 600 001



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**N.ANAND**  
**VENKATESH J.**

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