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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ARB.P. 957/2025

M/S MEDWISE OVERSEAS PVT. LTD.

.....Petitioner

Through: Adv. Palash S Singhai Adv.
Dhanesh Patel Adv. Harshal Sareen

versus

M/S SOTAC HEATHCARE PVT. LTD.

.....Respondent

Through: Dr. MM Dhadnania, Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

15.10.2025

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1. This is a petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator for adjudication of disputes between the parties.
2. The brief facts of the case are that the petitioner, entered into a Supply Agreement dated 09.02.2023 with the Government of Botswana for the supply of Cloxacillin Capsules and engaged the respondent, a WHO-GMP-certified manufacturer, for production. Based on the respondent's assurances of quality and compliance, the petitioner issued a Purchase Order and executed a Supply Agreement on 03.03.2023. However, by letter dated 14.05.2024, the Government of Botswana reported that batch CPD0004 had failed quality tests and recalled the product, causing serious reputational harm to the



petitioner. A subsequent joint inspection revealed that all batches failed to meet the required standards, as recorded in the Minutes of Meeting dated 16.05.2024.

3. The said Agreement contained an arbitration clause being clause No. 22 which reads as under:-

“22. ARBITRATION

22.1 Notwithstanding contrary in the agreement, the PARTIES AND/OR its agents agree that if any dispute/disagreement/differences (“DISPUTES”) arises between the PARTIES during the subsistence of the agreement and/or thereafter, in connection with, inter alia, the validity, interpretation, implementation and/or alleged breached of any provision of the agreement, jurisdiction, or existence/appointment of sole arbitrator and/or any matter/issue whatsoever, then such disputes shall be resolved through arbitration by the sole arbitrator (and the process/mechanism, the appointment of sole arbitrator shall be as per MARKETING COMPANY).

22.2 The place of arbitration shall be NEW DELHI. The arbitration process shall be governed by Arbitration & Conciliation Act, 1996 (or any statutory re-enactment thereof for the time being enforced) and it shall be in English Language.

22.3 The arbitrator’s award shall be in writing. The arbitration shall also decide the cost of arbitration proceedings.

22.4 The award shall be binding and enforceable on PARTIES in any competent court of the law.”

4. Since the medicines manufactured by the respondent to be supplied to



the Government of Botswana were alleged to be defected. The petitioner invoked arbitration *vide* legal notice dated 01.04.2025 and thereafter filed the present petition.

5. Dr. Dhadnania, learned counsel for the respondent, has handed over a copy of the reply. He submits that the present case involves allegations of cheating, fraud, fraudulent inducement, and misrepresentation, and therefore, the disputes are not arbitrable. It is further contended that the medicines manufactured by the respondent failed to obtain the requisite certificate of analysis, thereby amounting to fraudulent conduct on the part of the respondent in supplying sub-standard medicines. He also raises an objection as to the territorial jurisdiction of this Court.
6. Upon perusal of the petition and the averments therein, it appears that the petitioner's grievance primarily pertains to the alleged breach of contractual obligations by the respondent. The material on record indicates that the allegations pertain to non-compliance with contractual terms and do not constitute criminal offences.
7. Even though both the petitioner and the respondent are based in Ahmedabad, I am of the considered view that this Court possesses the territorial jurisdiction to entertain the present petition. Clause 21.2 of the Supply Agreement expressly confers exclusive jurisdiction upon the Courts at New Delhi. The said clause reads as under:

“21.2 Subject to the clause relating to arbitration in this Agreement, the parties irrevocably and unconditionally agree and accept that the Courts in New Delhi shall have exclusive



jurisdiction in connection with, arising out of, or relating to any matter or issue under or pursuant to this Agreement.”

8. Accordingly, in view of the express jurisdiction clause, the objection raised by the respondent with respect to territorial jurisdiction is devoid of merit.
9. I am also satisfied that there exists a valid arbitration clause and there are dispute between the parties which need to be adjudicated through the arbitral mechanism.
10. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) Ms. Maninder Acharya (Senior Advocate) (Mob. No. 9810163078) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
 - ii) The arbitration will be held under the aegis and rules of the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi (hereinafter, referred to as the ‘DIAC’).
 - iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators’ Fees) Rules, 2018.
 - iv) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
 - v) It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claim,



any other preliminary objection, as well as claims/counter-claims and merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.

vi) The parties shall approach the learned Arbitrator within two weeks from today.

11. The present petition is disposed of in the aforesaid terms.

12. The reply handed over in Court today is taken on record.

JASMEET SINGH, J

OCTOBER 15, 2025 / (MS)