

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON
09.07.2026

PRONOUNCED ON
31.07.2026

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CORAM

THE HON'BLE MR.JUSTICE K.KUMARESH BABU

Arb O.P(COM.DIV.) No. 136 of 2026

Mrs Rhuti Kumari
W/o Prashant Kumar,
No. 127A, Bricklin Road,
TVH Lumbini Square Apartments,
Flat No. 1071, Block 1,
Purasawalkam,
Chennai 600 007

..Petitioner(s)

Vs

M/s.Zanmai Labs Pvt Ltd.,
Rep by its Managing Director,
Mr.Nischal Shetty,
Having its registered office at
HD-024, Wework Enam Sambhav,
C-20, G-Block,
Bandra Kurla Complex,
Mumbai - 400 051.

..Respondent(s)

PRAYER:- Petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint a sole arbitrator to adjudicate the dispute between the parties arising out of the User's License Agreement as last revised on 01.08.2023 as subscribed by the Parties herein.

For Petitioner(s): Mr.D.Ravichander

For Respondent(s): Mr.Vishnu Mohan



ORDER

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The present Petition had been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint a sole arbitrator to adjudicate the dispute between the parties arising out of the User's License Agreement as last revised on 01.08.2023.

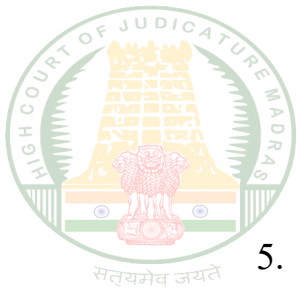
2. Heard Mr.D.Ravichander, learned counsel for the petitioner and Mr.Vishnu Mohan, learned counsel appearing on behalf of the respondent.

3. Learned counsel appearing for the petitioner would submit that the petitioner is engaged in the business of the sales of computer hardware electronic devices whereas, the respondent is engaged in the business of running Cryptocurrency exchange platform in which the applicant had become a registered user and have also entered into an User Agreement with the respondent. He would submit that disputes between the parties had arisen and the applicant had also initiated a Section 9 Application before this Court for restraining the respondent and others namely the Directors of the respondent Company from interfering with the account/ portfolio held by the petitioner wherein after analysing the issue on hand, by order dated 25.10.2025, this Court had directed the respondent to furnish a Bank guarantee in favour of the applicant which should be renewed from time to time till the end of the



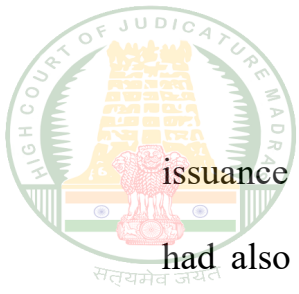
arbitration proceedings or the said amount was directed to be kept in an escrow account. Thereafter, the petitioner had invoked Section 21 of the Arbitration Act and had issued a notice to the respondent nominating a Senior Advocate as the sole Arbitrator for resolution of the dispute. He would submit that the same had been replied negating the claim of the petitioner.

4. He would submit that as per the terms of the Agreement, the parties have agreed to resolve the dispute by arbitration, but, however under the SIAC Rules to be read with the Indian Arbitration and Conciliation Act apart from this the Arbitral Tribunal was to consist of a sole Arbitrator to be appointed by the President of SIAC. He would submit that the aforesaid Clause of arbitration stood frustrated in view of the high litigation cost and also the unfair hearing procedure. He would submit that the SIAC Rules which stood amended after the Agreement between the parties does not provide for a fair and effective opportunity of hearing. In such a view, the entire Clause of arbitration as envisaged had become frustrated, particularly the adoption of the SIAC Rules and the dispute being arbitrated in Singapore. However, he would submit that the *consensus ad idem* of the parties to get the dispute resolved through arbitration stands not diluted and in that regard he would submit that this Court could appoint an Arbitrator by invoking its power under Section 11 for appointment of an Arbitrator. Hence, he seeks this Court to appoint a sole Arbitrator for resolution of the disputes between the parties.



5. Countering his arguments, Mr.Vishnu Mohan, learned counsel appearing on behalf of the respondent would at the outset submit that the present application under Section 11 of the Act which is governed under Part-I of the Act cannot be applicable as it is a foreign seated arbitration for which only Part-II of the Act would be applicable. He would further submit that submission to the jurisdiction of Section 9 of the Act would not mean that the respondent also have submitted to the jurisdiction under Section 11. It is his contention that it had been held that even in a foreign seated arbitration invocation of Section 9 within the Courts in India had been held to be valid. He would further submit that if it is the case of the petitioner that the Clause of arbitration had been frustrated for the reasons as claimed by the petitioner, then it is for the petitioner to challenge the same.

6. He would further submit that when having contended that the Clause of arbitration had been frustrated, the petitioner cannot seek to retain a portion of the said Clause to contend that the arbitration could be conducted within the jurisdiction of this Court. He would vehemently contend that the petition itself is not maintainable under Section 11(6). He would further submit that the petitioner being a party to an Agreement cannot unilaterally alter the terms of the Agreement and seek to alter the seat, the law that is agreed to be applied and the manner in which the arbitration ought to be conducted and in that regard, the

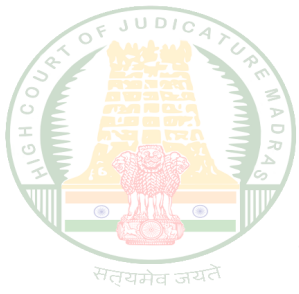


issuance of Section 21 notice itself is bad in law and invalid. In that context, he had also relied upon a decision of the Hon'ble Apex Court reported in **2025 SCC Online SC 2517**.

7. Countering his arguments, placing reliance upon a decision of the Larger Bench of the Hon'ble Apex Court reported in **2025 SCC Online SC 570** the learned counsel for petitioner would contend that even in a foreign seated arbitration jurisdiction of this Court for appointment of an Arbitrator cannot be ousted that too when the parties have agreed for a supervisory jurisdiction of this Court in terms where under the agreement, the Indian Arbitration Act had also been agreed to be the law as applicable to the arbitration proceedings, the Provisions of Part-I of the Arbitration Act could also be applicable to the present facts of the case.

8. I have considered the submissions made by the learned counsels appearing on either side and perused the materials available on record before this Court.

9. It is not disputed that the parties have entered into an User Agreement wherein, an arbitration Clause as under had been agreed upon. For better appreciation the relevant portion of the Clause is extracted hereunder:-



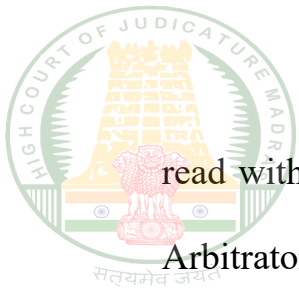
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“14.1.(ii) In the case of disputes, controversies or claims involving Zanmai, you and Zanmai agree to resolve any claims relating to this Agreement (including any question regarding their existence, validity, termination, or any services or products provided and any representations made by us) through final and binding arbitration. You agree to first give us an opportunity to resolve any claims by contacting us on our website /mobile / desktop applications. If we are not able to resolve your claims within 60 days of receiving the notice, you may seek relief through arbitration as set forth below.

Either you or Zanmai may submit a dispute after having made good faith efforts to resolve such dispute) for final and binding resolution by arbitration under the arbitration rules of the Singapore International Arbitration Centre ("SIAC), which are deemed to be incorporated into these Terms by reference, read with the Indian Arbitration and Conciliation Act, 1996. The arbitration tribunal shall consist of a sole arbitrator to be appointed by the President of SIAC. The language of the arbitration hearings shall be English and the seat of arbitration shall be Singapore."

10. An analysis of the said Clause would indicate that the parties have agreed to have their disputes resolved through arbitration. In that regard, they have also agreed for the applicability of the Singapore International Arbitration Center Rules which had been incorporated in the Agreement by reference to be

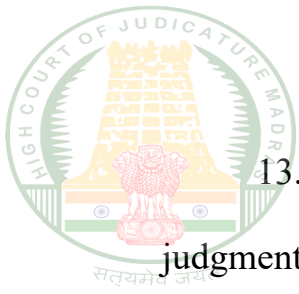


read with the Indian Arbitration and Conciliation Act, 1996. That apart, a sole Arbitrator was also to be nominated by the President of SIAC.

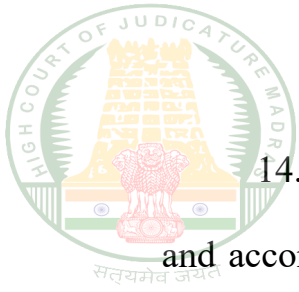
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11. Firstly, it is the case of the petitioner that when the Agreement had stipulated that the Indian Act also to be also applicable then it does not take away the jurisdiction of this Court under Part-I for appointment of an Arbitrator. Secondly, he had submitted that the high cost involved in the foreign seated arbitration and the procedure that had been laid down by the amended SIAC Rules do not provide a reasonable opportunity of being heard which makes the said Clause to have been frustrated.

12. This Court is unable to accept both the reasons that had been attributed by the petitioner. Firstly, the Clause in the arbitration as extracted *supra*, the parties have agreed to incorporate the SIAC Rules into the terms of the Agreement by reference to be read with the Indian Act, 1996. It is to be noted that the Act contains Part-I and Part-II wherein, the Part-I exclusively deals with the Indian seated arbitration and Part-II deals with the foreign seated arbitration. When read in that context, the terms in the contract wherein, the Indian Act is to be read along with the SIAC Rules which had been incorporated into the terms of the Agreement by reference would only mean that Part-II of the Indian Act to be only applicable for resolution of the disputes between the parties.



13. In that regard, the law laid down by the Hon'ble Apex Court in the judgment relied upon by the respondent reported in **2025 SCC Online SC 2517**, it had been clearly held that recourse to Section 11 which is located in Part-I is available only in respect of an Indian seated arbitration and in this case, the seat of arbitration being foreign seated, the application under Section 11 in view of this Court would not be maintainable. Even though, this Court had held that Section 11 to be not maintainable to the present facts of this case, a contention had been raised that the Clause of foreign seated Arbitration particularly at Singapore stood frustrated in view of the cost and the amendment that took place subsequent to the Agreement which do not provide an effective opportunity of hearing. In that regard, when it is the case of the petitioner that the Clause of Arbitration where the parties have agreed for a foreign seated arbitration stood frustrated the petitioner cannot be allowed to rely upon the very same clause which had been agreed upon by the parties to seek appointment of an Arbitrator under Section 11 of the Act. When the *consensus ad idem* of the parties was to have a foreign seated arbitration, for the reasons indicated by the petitioner, the petitioner cannot seek to change the seat of arbitration and seek this Court's indulgence to appoint an Arbitrator. When according to the petitioner, the Clause of the arbitration had become frustrated, he cannot also be permitted to enforce a part of the said Agreement. On the grounds raised by the petitioner either the Clause falls in its entirety or bind in its entirety.



14. For the aforesaid reasons, I do not find any merits in this Application and accordingly the present O.P. stands dismissed. However, there shall be no order as to costs. Consequently, connected applications, if any stands closed.

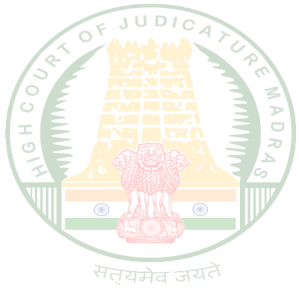
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Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

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Arb O.P(COM.DIV.) No. 136 of 2



K.KUMARESH BABU, J.

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Arb O.P(COM.DIV.) No. 136 of 2026

31-07-2026