



CGHC010536452025



2026:CGHC:27734

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

ARBR No. 67 of 2025

Ms Jai Jagdish Transport A Partnership Firm, Having Office At- G-32, Hira Arcade, Pandri, District Raipur (C.G.) Through Its Partner/ Authorised Representative- Vivek Agrawal, S/o Kailash Chand Agrawal, Aged About 43 Years, R/o R-16/29, Anandam World City, G.A.D. Colony, Kachna Road, District Raipur C.G.

... Applicant

versus

Ms Sri Ratnagiri Transport A Partnership Firm, Through Its Partner- Samireddy Shyam, Having Principal Place of Business - 6-2, Chandrampalem, Madhurawada, District - Vishakhapatnam, Andhra Pradesh, 53004

... Non-Applicant

For Applicant : Mr. Pranav Tiwari, Advocate.

For Non-Applicant : None.

Hon'ble Mr. Ramesh Sinha, Chief Justice

Order on Board

06.07.2026

1. This is an application under Section 11(6) of the Arbitration and Conciliation Act, 1996 for appointment of an Arbitrator.
2. The facts, in brief, as projected by the applicant are that the applicant is a partnership firm which is one of the largest transport and mining contractor based out of Raipur, Chhattisgarh with an extensive experience and

specialization in the business of transport, sale of tires and repair of vehicles, etc. The non-applicant is a partnership firm involved in the business of transport having Mr. Samireddy Shyam as its partner and the said firm is based out of Vishakhapatnam, Andhra Pradesh. The applicant from time to time, procured/rented vehicles owned by non-applicant for the purpose of running its own transport business and the non-applicant too availed the services of applicant from time to time especially with regard to purchase of tyres, repairs, etc. and the aforementioned parties had good business relationship for last few years. The applicant and the non-applicant had long-standing business relationship in the field of transport and out of the said business transactions between the Parties, in the Financial Year 2020-21 sum of Rs. 6,39,06,453/- was outstanding, due and payable by the non-applicant to present applicant in view of the services availed by the non-applicant from applicant firm for the aforesaid period. The applicant and non-applicant had duly affirmed and acknowledged Rs. 6,39,06,453/- as the outstanding amount for Financial Year 2020-21 which is due in favour of the applicant. In view of the same, an Memorandum of Understanding [Hereinafter to be referred to as 'MoU'] dated 09/06/2021 was executed between the Parties vis-à-vis applicant and non-applicant on 05/07/2021. As per the MoU the present non-applicant had duly admitted and acknowledged its outstanding liability in favour of applicant and the repayment schedule and terms were duly mentioned under Clause-6 of the said MoU. It is pertinent to mention herein that the outstanding amount was to be paid back within a maximum period of 2 years (from the date of this agreement) i.e. latest by 05/07/2023.

- 3.** Learned counsel for the applicant submits that despite the passage of the time agreed upon by the Parties, non-applicant has not made any payments with regard to the outstanding liability and even all the cheques issued by the

non-applicant as under the MoU have been dishonoured on presentation. Despite repeated requests made by the applicant, the non-applicant had failed to discharge its liability and make payment in favour of the applicant, as a result of which the dispute/claim/difference between applicant and non-applicant has crystallized and therefore in order to amicably settle the same, the applicant had no option but to invoke arbitration. As a corollary, the applicant had sent a Notice dated 06/10/2025 to the non-applicant firm and its Partner- Mr. Samireddy Shyam invoking Arbitration under Clause 10 of the MoU dated 09/06/2021 executed duly on 05/07/2021. Despite the receipt of the said Arbitration Notice which is also confirmed vide the online tracking, the non-applicant has not only failed to make the due payment but it has also decided not to respond to the said notice and as such a period of more than 30 days has already lapsed. The long standing business relationship in consonance and furtherance of the MoU increased by leaps and bounds and business transactions continued between the parties and the ledger account maintained by the Applicant would clearly demonstrate that the non-applicant owes a sum of Rs. 20,60,54,527/- in favour of applicant as on date in view of the services availed by the non-applicant from applicant, which still remains unpaid despite repeated requests. The conduct of non-applicant to not reply to the notice dated 06/10/2025 again reaffirms the fact that it owes the applicant the amount due and neither of the parties dispute the existence of Arbitration Clause as mentioned and specified in Clause 10 of the MoU which provides for 'any' disputes or differences or claims arising between the parties to the agreement be settled through recourse to Arbitration, the decision of which shall be final and binding upon the parties, which iterates the specific and direct intention of the Parties to resolve the disputes through Arbitration and as such the said Clause 10 of MoU is a valid arbitration clause. As there exists a dispute with regard to the

total outstanding to the tune of Rs. 20,60,54,527/- which has not been paid till date by the non-applicant to the applicant. Henceforth, in accordance with Section 11 of the Arbitration and Conciliation Act, 1996, in case, the parties fail to reach upon an agreement to decide or appoint an arbitrator, either party can move the Hon'ble High Court for appointment of an arbitrator to adjudicate and settle the dispute in question. It is further stated that as per Clause-9 of the MoU, the legal jurisdiction lies with the Courts of Raipur (Chhattisgarh). In this view of the matter, the applicant has been left with no option but to approach this Hon'ble High Court for appointment of Arbitrator.

4. The MoU envisaged a dispute resolution mechanism under Clause-10 as per which in case any dispute or claim or difference arose, the same may be resolved by a sole-arbitrator who is to be appointed by the present applicant and the Arbitration and Conciliation Act, 1996 would be applicable. Clause 10 of MoU with regard to Dispute Resolution is being reproduced below for kind reference-

***'10. Dispute Resolution:** That the in the event of any dispute, difference or claim in between the parties hereunto in regard to these present or any matter connected thereto, shall be resolved by a sole arbitrator, who is to be appointed by second party and the provisions of the Arbitration and Conciliation Act, 1996 shall apply and the award passed by the arbitrator shall be final and binding upon the parties. The venue for arbitration would be at Raipur, Chhattisgarh, India.'*

5. Vide order dated 16.12.2025, this Court directed issuance of notice to the respondent. Subsequently, when the matter was listed on 13.04.2026, the service report was still awaited. Thereafter, on 04.05.2026, since the service report in respect of the notice issued to the respondent was still awaited, the applicant was permitted to effect service through publication in two leading newspapers having wide circulation in District Vishakhapatnam, Andhra Pradesh. Learned counsel for the applicant submits that, pursuant to the

order passed by this Court, the notice was duly published in the newspapers. However, despite such publication, the respondent has chosen not to appear. Today, when the matter is taken up, none appears on behalf of the respondent, nor has any representation been made on the respondent's behalf.

6. Since an affidavit has been filed in support of I.A. No. 3/2026 which is an application for taking paper publication on record, from perusal of the same, it is evident that paper publication has been made in two leading newspapers having wide circulation over the over the area of District – Vishakhapatnam, Andhra Pradesh where the Office of the respondent is situated. Despite having being notice served, the respondent has not appeared nor is there any opposition to the arbitration request, and further having regard to the fact that Clause 10 provides for the mechanism for resolution of the dispute through arbitration.
7. I have heard learned counsel for the applicant, perused the pleadings and documents appended thereto.
8. A query was put to learned counsel appearing for the parties as to whether they are agreeable for a common name who can be appointed as Arbitrator, learned counsel for the parties submitted that they would have no objection if any retired Judge of this High Court is appointed as the Sole Arbitrator. They further submit that Hon'ble Mrs. Justice Rajani Dubey, who is a retired Judge of this High Court may be appointed as the Sole Arbitrator.
9. In view of the above consensus between the learned counsel for the parties, **Hon'ble Mrs. Justice Rajani Dubey**, a retired Judge of this High Court is appointed to act as the Sole Arbitrator to resolve the dispute involved in this arbitration request between the parties.
10. The Registry is directed to communicate this order to Hon'ble Mrs. Justice

Rajani Dubey in the proper address.

11. The remuneration of the Arbitrator shall be settled with the mutual consent of the parties.

12. The arbitration request petition, accordingly, stands **allowed**.

**Sd/-
(Ramesh Sinha)
Chief Justice**

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