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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21-09-2026

CORAM

THE HON'BLE MR JUSTICE P. VELMURUGAN

AND

THE HON'BLE MR.JUSTICE GK.MUTHUKUMAAR

O.S.A.(CAD) Nos. 97, 99, 101 and 102 of 2026
CNR:{HCMA010729752026}
Case QR
and
C.M.P.Nos.24449, 24452, 24509, 24515, 24612, 24616 and 24672 of 2026

O.S.A(CAD) No.97 of 2026

M/s.Bharat Petroleum Corporation Limited
Rep.by its Chief Manager (LPG Logistics) – South
No.1, Ranganathan Gardens, 11th Main Road,
Annanagar (W), Chennai – 600 040.

..Appellant(s)

Vs

M/s.KMS Transports
Rep. by its Proprietor,
M.Subramaniam,
20/3, KMS Complex,Thuraiyur Road,
Namakkal – 637 001.

..Respondent(s)

O.S.A(CAD) No. 99 of 2026
Case QR

CNR:{HCMA010729772026}

M/s.Bharat Petroleum Corporation Limited
Rep.by its Chief Manager (LPG Logistics) – South
No.1, Ranganathan Gardens, 11th Main Road,
Annanagar (W), Chennai – 600 040.

..Appellant(s)

Vs

M/s.KMS Transports
Rep. by its Proprietor,

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M.Subramaniam,
20/3, KMS Complex,
Thuraiyur Road,
Namakkal – 637 001.

..Respondent(s)

O.S.A(CAD) No. 101 of 2026

CNR:{HCMA010729132026}

M/s.Bharat Petroleum Corporation Limited
Rep.by its Chief Manager (LPG Logistics) – South
No.1, Ranganathan Gardens, 11th Main Road,
Annanagar (W), Chennai – 600 040.

..Appellant(s)

Vs

M/s. RMS Transports
Rep.by its Proprietor
M.Selvaraj,
3/148-D, RMS Complex,
Trichy Road, Namakkal- 637 002.

..Respondent(s)

O.S.A(CAD) No. 102 of 2026

.CNR:{HCMA010729252026}

M/s.Bharat Petroleum Corporation Limited
Rep.by its Chief Manager (LPG Logistics) – South
No.1, Ranganathan Gardens, 11th Main Road,
Annanagar (W), Chennai – 600 040.

..Appellant(s)

Vs

M/s. RMS Transports
Rep.by its Proprietor
M.Selvaraj,
3/148-D, RMS Complex,
Trichy Road, Namakkal- 637 002.

..Respondent(s)

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Common Prayer : Original Side Appeals (CAD) filed under Section 13(1-A) of Commercial Courts Act, 2015 read with Section 37(1)(b) of the Arbitration and Conciliation Act, 1996 read with Order XXXVI Rule (2) of the O.S.Rules read with Clause 15 of the Letters Patent, to set aside the common order dated 18.11.2025 passed in O.A.Nos.860, 859, 858 and 857 of 2025 insofar as the appointment of sole arbitrator is concerned and refer the said disputes to the SCOPE Forum and allow the present Appeals.

For Appellant	:	Mr.AR.L.Sundaresan, Senior Counsel for Mr. P.Rajkumar Jhabakh (in O.S.A(CAD)s)
For Respondent(s):		Mr.D.Vairamoorthy (in O.S.A(CAD)s)

C O M M O N J U D G M E N T

(Judgment of the Court was delivered by P.Velmurugan J.)

The present intra-Court appeals are directed against the common order dated 18.11.2025 passed by the learned Single Judge in O.A.Nos.857, 858, 859 and 860 of 2025, filed under Section 9 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as "A & C Act"), whereby a Sole arbitrator was appointed to adjudicate the disputes between the parties, instead of referring the dispute to the Standing Conference of Public Enterprises (SCOPE) Forum of Arbitration.

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2. The respondents entered into Transportation Contract Agreement dated 01.09.2018 with the appellant for transportation of Bulk LPG in the State of Tamil Nadu for a period of five years. The contract was subsequently extended from time to time on the same terms and conditions. During the subsistence of the extended contract, certain Tank Trucks provided by the respondents under the contract were withdrawn without the prior consent of the appellant. Alleging violation of the contractual terms, the appellant issued show-cause notices to the respondents. In their replies, the respondents stated that the vehicles had been seized and sold by the financing Bank on account of payment defaults. Apprehending contractual action by the appellant, the respondents filed applications under Section 9 of A & C Act, before the learned Single Judge, seeking, *inter alia*, to restrain the appellant from blacklisting the respondents and their vehicles, forfeiting the security deposit and terminating the contract. By order dated 26.08.2025, the learned Single Judge granted *ex-parte* interim injunction restraining the appellant from blacklisting of the respondents and their vehicles.

3. Thereafter, the appellant entered appearance, filed their counter, and contended that the issue of termination did not survive in view of the extension granted to the respondents. It was further submitted that any dispute between the parties was liable to be resolved in accordance with Clause 39 of the

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agreement, which contemplated arbitration through the SCOPE Forum. However, by the impugned common order dated 18.11.2025, the learned Single Judge appointed a Sole Arbitrator under Section 11(6) of A & C Act to adjudicate the disputes between the parties. The learned Single Judge held that the mechanism contemplated under Clause 39 could not be given effect to in view of the judgment of the Hon'ble Supreme Court in ***Central Organisation for Railway Electrification vs. ECI SPIC SMO MCML (JV) a Joint Venture Company, (2025) 4 SCC 641***.

4. Aggrieved by the said order, the appellant has preferred the present intra-Court appeals under Section 37 of A & C Act, seeking to set aside the impugned order and to give effect to the agreed mechanism for resolution of the disputes through the SCOPE Forum of Arbitration.

5. The learned counsel appearing for the appellant submitted that the respondents had invoked only Section 9 of A & C Act and had not filed any application under Section 11 of A & C Act seeking appointment of an Arbitrator. Therefore, the learned Single Judge ought to have confined the proceedings to the interim reliefs sought under Section 9 and ought not have assumed jurisdiction under Section 11 or appointed a Sole Arbitrator. It was further submitted that Clause 39 of the Agreement contemplated reference of

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disputes to the SCOPE Forum of Arbitration, which consists of a panel of reputed Arbitrators, and that the said mechanism did not confer any unilateral power upon the appellant to appoint an Arbitrator. However, based on the oral contention raised by the respondents during the course of arguments that the said mechanism was unilateral and not binding, without any supporting pleading or evidence, the learned Single Judge, declined to refer the parties to the agreed SCOPE arbitration mechanism and appointed a Sole Arbitrator. Therefore, the impugned order, insofar as it proceeds beyond the scope of the applications under Section 9 and appoints a Sole Arbitrator under Section 11, is without jurisdiction and is liable to be set aside.

6. We have heard the learned Senior counsel appearing for the appellant and the learned counsel appearing for the respondents and perused the materials available on record.

7. It is not in dispute that the respondents approached the learned Single Judge by filing applications under Section 9 of A & C Act, seeking interim injunction to restrain the appellant from blacklisting the respondents and their vehicles, forfeiting the security deposit and terminating the contract. However, no application under Section 11 of the Act was filed seeking appointment of an Arbitrator. In such circumstances, the learned Single Judge, while exercising jurisdiction under Section 9, ought not to have traversed beyond the scope of the

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proceedings and appointed a Sole Arbitrator under Section 11 of A & C Act. The jurisdictions under Sections 9 and 11 of A&C Act operate in distinct fields. While Section 9 concerns interim measures, Section 11 provides for the appointment of an Arbitral Tribunal in the circumstances contemplated therein. Therefore, the jurisdiction under Section 11 cannot be exercised merely in the course of proceedings under Section 9 of A & C Act.

8. In view of the above, the appointment of the Sole Arbitrator by the learned Single Judge, while exercising jurisdiction under Section 9 of A&C Act, cannot be sustained.

9. Accordingly, the intra-Court appeals are allowed. The common order dated 18.11.2025 passed by the learned Single Judge in O.A.Nos.857 to 860 of 2025 is set aside insofar as it appoints a Sole Arbitrator. The applications filed under Section 9 of the Arbitration and Conciliation Act, 1996 shall be considered by the learned Single Judge in accordance with law and within the scope of Section 9 of the Act.

10. We make it clear that this Court has not expressed any opinion on the merits of the contractual disputes between the parties or on the validity of Clause 39 of the respective agreements.

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11. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

(P.V.,J.) (G.K.M.,J.)
21-09-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
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