

In the High Court of Judicature at Madras

Dated : 04.09.2015

Coram :

The Hon'ble Mr.Sanjay Kishan Kaul, Chief Justice

O.P.No.197 of 2015

K.K.Enterprises

Rep. by its Sole Proprietor, Karthik.

.. Petitioner

-VS-

M/s.VGP Universal Kingdom

Rep. by Mr.VGP Ravidas,
Managing Director, VGP Square,
No.6, Dharmaraja Koil Street,
Saidapet, Chennai.

.. Respondent

Petition filed under Section 11 (6) of the Arbitration and Conciliation Act, 1996, to appoint an arbitrator to resolve the disputes between the petitioner and respondent arising out of the License Agreement dated 29.6.2012.

For Petitioner : Mr.S.Sivakumar

For Respondent : Mr.V.Suresh
for M/s.Shivakumar & Suresh

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ORDER

The disputes inter se the parties arise out of a License Agreement dated 29.06.2012, which contains the following clause for resolution of disputes through arbitration:

"9.4 Any disputes and differences whatsoever arising under or in connection with this Agreement which could not be settled by Parties through negotiations, after the period of thirty (30) days from the service of the Notice of Dispute, shall be finally settled by arbitration by a sole arbitrator to be mutually agreed upon between the parties. In the event the parties are not able to mutually agree upon the appointment of sole arbitrator, the aggrieved party can seek appointment of the arbitrator by approaching the Hon'ble High Court of Madras, in accordance with the Arbitration and Conciliation Act, 1996."

2.The aforesaid License Agreement was revoked by the respondent vide letter dated 04.09.2014, whereupon the petitioner invoked the arbitration clause vide the legal notice dated 18.09.2014.

3.The learned counsel for the respondent states that the sole defence he seeks to raise is that the petitioner claims that this license agreement is actually a lease agreement and thus, if it is to be treated as a lease agreement, then it is compulsorily a registrable document,

the lease being for six years and thus, on the basis of the unregistered document, no reference can be made through arbitration. In this behalf, he refers to the judgment of the Hon'ble Supreme Court in **M/s.SMS Tea Estates Pvt. Ltd. vs. M/s.Chandmari Tea Co. Pvt. Ltd., CDJ 2011 SC 684**. He submits that both the legal notice and the petition contain various averments as to why the license agreement should be treated as a lease agreement.

4.Learned counsel for the petitioner, faced with this position, states that the license agreement may be treated as a license agreement and the matter be referred to arbitration in terms thereof with all consequences arising therefrom, a position with which the learned counsel for the respondent has no difficulty.

5.In view of the aforesaid, on request of the learned counsel for parties, I appoint **Mr.R.Yashod Vardhan, Senior Advocate**, residing at No.9, 7th Main Road, Raja Annamalaipuram, Chennai 600 028, Ph: 9841075397, as the Sole Arbitrator to enter upon the reference and adjudicate the dispute inter se the parties. As requested by the learned counsel for parties, the arbitration proceedings will be conducted under the aegis of the Madras High

Court Arbitration Centre and the parties will be governed by the Rules of the Centre.

6.The original petition is, accordingly, allowed, leaving the parties to bear their own costs.

(S.K.K., CJ.)
04.09.2015

sra

Note: Mark a copy to

- (i) The Addl. Registrar-Vigilance
Madras High Court Arbitration Centre,
Madras High Court Campus, Chennai.
- (ii)The Arbitrator, as referred above.

The Hon'ble Chief Justice

(sra)

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