

In the High Court of Judicature at Madras

Dated : 24.06.2016

Coram :

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

O.P.No.309 of 2016

M/s.Michelin India Pvt. Ltd.,
(Formerly known as Michelin India
Tamil Nadu Tyres Private Limited),
rep. by its Authorised Signatory Laurent Ladroyas,
A-1, SIPCOT Industrial Complex,
Thervoykandigai,
Thiruvallur District, Tamil Nadu,
India 601 202. .. Petitioner

-vs-

Valli Subbiah .. Respondent

Petition filed under Section 11 (6) (c) of the
Arbitration and Conciliation Act, 1996, to appoint a Sole
Arbitrator to adjudicate upon the differences and disputes
between the parties.

For Petitioner : Mr.D.Ferdinand
for
M/s.BFS Legal

For Respondent : No Appearance

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ORDER

The petitioner has filed the Original Petition under
Section 11 (6) (c) of the Arbitration and Conciliation Act,
1996 (herein after referred to "*the said Act*") in relation

to the disputes arising between the parties from the lease agreement dated 01.06.2011, duly registered. The petitioner took a lease of the residential premises for its employees being premises at Old No.10, New No.17, Ambadi Road, Kotturpuram, Chennai-85 of the respondent and the employees of the petitioner occupied the premises. On expiry of the lease by efflux of time, possession was handed back to the respondent on 02.07.2014.

2. The petitioner claims to have deposited a sum of Rs.13,20,000/-with the respondent as interest free refundable Security Deposit. But the said amount was not refunded, which is thus an act alleged to be a breach of the terms of the lease agreement.

3. It appears that the respondent alleged damages to the property and thus set off the cost for re-laying the entire flooring.

4. The lease agreement contains Clause 21 as the arbitration Clause for appointment of the Sole Arbitrator. Since disputes have not been resolved, the petitioner invoked the arbitration Clause through a legal notice dated

11.06.2015. The merits of the notice were denied, but the respondent claims right to appoint an Arbitrator within seven days from the date of the reply, as the arbitration Clause provided the lessor to appoint an Arbitrator. No Arbitrator is stated to have been appointed.

5. The respondent was served, but none has chosen to appear. The matter has been passed over once and called for the second time.

6. In view of the aforesaid facts and circumstances, the present case is one of no return. The facts averred in the petition show that the parties have agreed to be governed by the arbitration Clause to resolve the disputes, disputes have arisen on account of non-refund of the Security Deposit amount and the jurisdiction is of Chennai Courts as per the arbitration Clause. The respondent has failed to exercise her right to appoint an arbitrator despite notice.

7. At this stage, the learned counsel for the petitioner states that the respondent, after filing of the present petition, addressed a letter agreeing to refund

part of the Security Deposit amount and thus, it may be advisable to refer the matter to mediation first. But in case of failure, the disputes may be resolved through an arbitration.

8. It is, thus, directed that the petitioner will appear before the Mediation and Conciliation Centre, Madras High Court Campus on 4th July, 2016 at 2.15 P.M. and notice of intimation to the respondent issued by the Registry be served privately by the petitioner. In case the matter is resolved through mediation, well and good, failing which, the matter would go to arbitration.

9. The Mediator will endeavour to conclude the mediation within a period of two months from that date or any extended period, as may be granted by this Court. Needless to say, the arbitration would commence on failure of the mediation.

10. I, thus, appoint Mr.Naveen Kumar Murthi, Advocate, residing at 18/1, New No.27, Janakiram Colony, Arumbakkam, Chennai 600 106, (Mobile No.98847 40424) as the Sole Arbitrator, to enter upon the reference and adjudicate

the disputes *inter se* the 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.

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

sd/.S.K.K.,CJ.
24.06.2016

//Certified to be a true copy//
Dated this the day of 2016.

S.s/29.07.2016

COURT OFFICER

From 25.09.2008 the Registry is issuing certified copies of the Order/Judgment Decree in this format.

सत्यमेव जयते

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