

HONOURABLE SRI JUSTICE P. NAVEEN RAO

WRIT PETITION No. 27771 of 2017

Date :21.8.2017

Between :

P Venkat Ram Reddy S/o Ram Reddy
53 yrs R/o H No. 1-8, Gadriyal village
Gandeed mandal
R R district

Petitioner

And

The State of Telangana
Rep by its Principal Secretary
Revenue (Registration-II) Department
Secretariat, Hyderabad and others

Respondents

The Court made the following:



ORAL ORDER:

Petitioner obtained loan from 4th respondent. Alleging default in payment of the loan, by invoking the arbitration clause, 4th respondent filed a claim before the Arbitrator who has numbered the same as ARC No. 248 of 2016. In this writ petition, petitioner challenges the jurisdiction of the Arbitrator in entertaining the claim and conducting the proceedings in the Arbitration Case.

In the affidavit filed in support of the writ petition, petitioner sought to contend that the Registrar has no jurisdiction in appointing the Arbitrator, therefore, arbitration proceedings are not maintainable. It is not explained as to how Arbitrator has no jurisdiction to entertain the claim and conduct the arbitration proceedings. Though various provisions of the Chit Fund Act are extracted, the contentions urged in support of the prayer do not deal with the aspect as to how the arbitration proceedings are not maintainable. Admittedly in the loan agreement, clause is incorporated for resolution of the disputes by referring to arbitration and 4th respondent invoked the said clause to refer the claim to the Arbitrator. Thus, prima facie, I do not see any illegality in Arbitrator conducting the proceedings on the claim made by the 4th respondent, however, it is open to the petitioner to raise all objections as available to him in law. It cannot be said that the petitioner cannot raise these objections before the Arbitrator including maintainability of the proceedings before the Arbitrator on a claim petition filed by the 4th respondent. Having regard to the same, Court is not inclined to entertain the writ petition at this stage even before the issues are raised and considered by the Arbitrator.

Accordingly, the writ petition is dismissed. No costs. Having regard to the same, miscellaneous petitions, if any pending, are closed.

P NAVEEN RAO,J

DATE:21.8.2017
TVK

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