

HON'BLE THE ACTING CHIEF JUSTICE RAMESH RANGANATHAN

ARBITRATION APPLICATION NO.18 OF 2017

ORDER:

The work order issued by the respondent to the applicant on 08.12.2012 contains an arbitration clause which reads thus:

“All other terms and conditions shall remain same as that of the quotation. All disputes and/or differences arising between the parties out of this Court contract shall be settled by arbitration and in accordance with the provision of the Arbitration & Conciliation Act, 1996. The reference shall be heard by one arbitrator, appointed by mutual consent the award made and published I pursuance of such Arbitration proceedings shall be held in English language and shall be held at Hyderabad, Andhra Pradesh. The work completion schedule to be strictly at par with the payment schedule.”

The petitioner addressed a letter to the respondent on 05.12.2016 invoking the arbitration clause, and sought appointment of Sri M. Chalapathy, retired District Judge, as its choice to be the sole arbitrator to resolve the disputes. The respondent was called upon to give their consent thereto. By their letter dated 02.01.2017, the respondent disputed having given the work order. However, in the counter-affidavit filed to the present application, this objection is not taken. Sri S. Chalapathi Rao, Learned Counsel for the respondent, while fairly stating that a work order was issued to the applicant, would, however, contend that execution of the work by the applicant was wholly unsatisfactory; they did not complete the work at all; and it is the respondent which has suffered losses and not the applicant herein.

Since existence of an arbitration clause in the work order is not disputed, and it is the admitted case of the respondent that, consequent on the work order being issued the applicant had executed the work *albeit* unsatisfactorily, the other contentions, regarding deficiency in execution of the work and whether it is the

respondent which has a counter-claim, are all matters which are required to be examined by an arbitrator.

As both Sri D. Madhava Rao, Learned Counsel for the applicant and Sri S. Chalapathi Rao, Learned Counsel for the respondent, would agree that a retired District Judge, residing at Hyderabad, be appointed as the arbitrator, I consider it appropriate to appoint Sri S. Bhujanga Rao, Retired District Judge, Flat No.203, Himalaya – 1, Jayabharathi Gardens, Moosapet Y Junction, Kukatpally, Hyderabad to be the arbitrator to resolve the disputes arising between the applicant and the respondent. The Learned arbitrator shall fix his remuneration, and incidental charges for the arbitration proceedings, in consultation with the parties. He shall complete the arbitration proceedings, and pass an award at the earliest, preferably within a period of six months from the date of commencement of arbitral proceedings. He shall hold sittings, as far as possible, in the mediation centre of the High Court.

The arbitration application, is accordingly, disposed of. No costs.

RAMESH RANGANATHAN, ACJ

Date: 05.01.2018.

MRKR