

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED 26.06.2019

CORAM

**THE HONOURABLE MRS.JUSTICE PUSHPA SATHYANARAYANA**

O.P.No.694 of 2018

The Chief Engineer,  
(Air Force)  
No.2, DC Area, MES Road,  
Bangalore – 560 022

... Petitioner

-vs-

Veeshan Builders,  
rep. By its Proprietor R.Venkatesan,  
No.2098/10A1, Ga Canal East Bank,  
Thanjavur – 613 001

... Respondent

**Prayer:** Petition filed under Section 11 of the Arbitration & Conciliation Act, 1996 to appoint a Arbitrator to resolve the dispute between the petitioner and the respondent, arising out of the claim of the petitioner with reference to the contract vide 800814/AF/54/E8 dated 15.03.2012.

For Petitioner : Mr.N.Rajan

For Respondent : Mr.C.Prabakaran

**ORDER**

This petition is filed seeking appointment of a sole Arbitrator to resolve the disputes between the petitioner and respondent.

2. The petitioner, on behalf of Government of India awarded a work contract in favour of the respondent for the construction of accommodation for Airmen at Thanjavur at a cost of Rs.1,79,09,149.08 and an agreement was entered into between them on 15.03.2012. According to the said agreement, the entire work has to be carried out within a period of 12 months from the date of commencement and the respondent started the work on the same day. Further, it is clear that the respondent should complete the work by 01.04.2013 and Condition No.54 of the agreement provides for cancellation of the existing contract and the remaining unfinished work can be allotted to another contractor. However, the amount spent for the unfinished work can be claimed from the earlier contractor and the respondent has failed to complete the work on time. Though the petitioner instructed through various letters to speed up and complete the work, the same are of no use. Thereafter, the petitioner engaged one Sai Ram builders and completed the work at an approximate cost of Rs.1,86,41,215/-, which is exceeding the cost of work. In consequence, the petitioner sent a notice dated 24.05.2017 to the respondent calling upon them to deposit a sum of Rs.70,74,857/- comprising the excess amount spent by the petitioner for completion of work and also compensation for the delay on or before 09.06.2017 and the respondent has failed to deposit the same. Subsequently, the petitioner sent a letter dated 28.06.2016 to the respondent seeking their approval for

the appointment of the arbitrator by referring the name of three persons and the respondent did not send any reply. Left with no other option, the petitioner is before this Court.

3. Today, the learned counsel for the petitioner has referred one Anand Srivastava, Chief Engineer (R&D) Secunderabad, who is available before this Court and consented to be an arbitrator.

4. The learned counsel for the respondent has no objection for appointing the said person as Arbitrator.

5. Having regard to the submissions of the learned counsel for the petitioner and taking note of the fact that the respondent has no objection for appointing the aforementioned person as arbitrator, coupled with the fact that the said person has consented to be an arbitrator, this Court appoints Mr. Anand Srivastava, Chief Engineer (R&D) Secunderabad, Military Engineer Services Picket, Opposite to Jubilee Bus Stand Link Road, West Marredpally, Secunderabad, Telangana – 500003, as the Sole Arbitrator to enter upon reference and adjudicate the disputes inter se the parties. The learned Arbitrator may, after issuing notice to the parties and upon hearing them, pass an award as expeditiously as possible, preferably within a period of six months from the date of receipt of the order. The

learned Arbitrator is at liberty to fix his remuneration and other incidental expenses. The proceedings may be conducted under the aegis of the Madras High Court Arbitration Centre and in accordance with the Madras High Court Arbitration Rules.

5. The Original Petition is, accordingly, allowed, leaving the parties to bear their own costs.

ssd

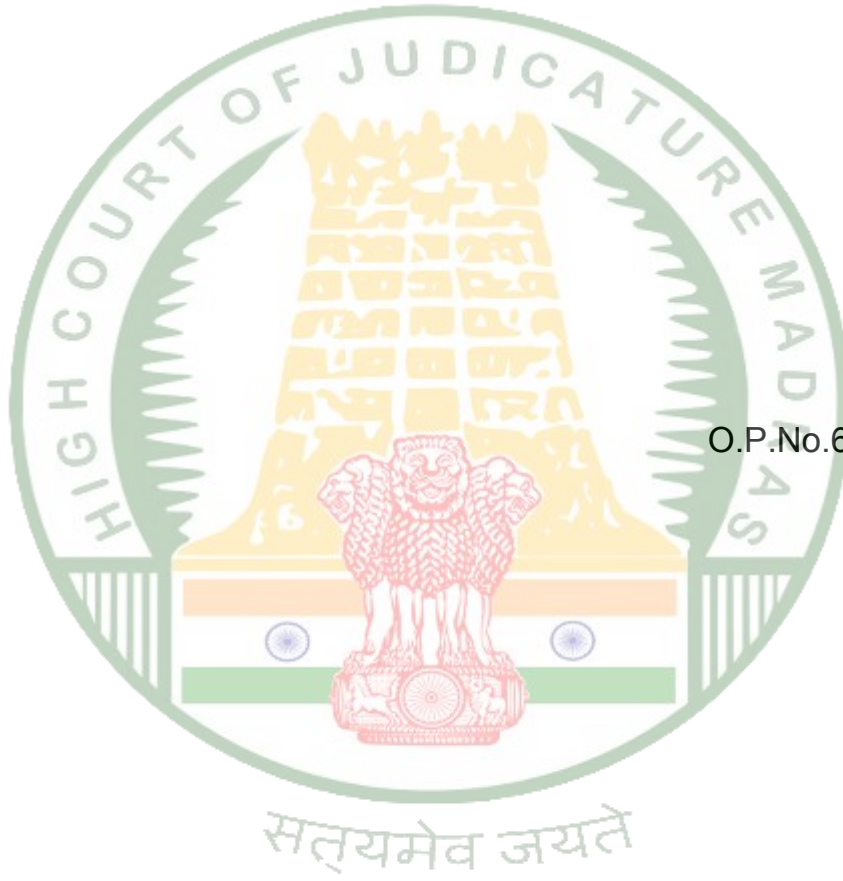
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**PUSHPA SATHYANARAYANA, J.**

ssd



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