

HON'BLE SRI JUSTICE A.RAJASHEKER REDDY

ARBITRATION APPLICATION No.20 of 2016

ORDER:

The case of the applicant is that the applicant company has entered into a supply contract agreement dated 28.12.2010 with the respondent company for design, fabrication and supply of pre-fabricated steel buildings (Building-A and Building-B) for a price of Rs.3,90,00,000/-. Pursuant to the applicant's proposal, the respondent has placed a purchase order dated 12.01.2011 and said purchase order was revised due to variation in scope of works and the respondent had placed two purchase orders dated 10.02.2012 and 31.10.2012. As there was dispute regarding the non-furnishing of Form-C under the Central Sales Tax, the applicant issued several notices to the respondent for furnishing the same. As they were not responded, ultimately the applicant issued notice dated 04.11.2015 invoking clause 14 of the agreement dated 28.12.2010 for appointment of the arbitrator, there was no response from the respondent. Hence, the present application is filed by the applicant for appointment of the arbitrator.

2. Though notice was served on the respondent, there is no appearance for the respondent and no counter affidavit is filed.

3. Heard learned counsel for the applicant who has brought to the notice of this Court the clause 14 of the agreement dated 28.02.2010 which reads as follows:

“14. This agreement shall be construed and enforced in accordance with and under the laws of the Government of India. Both parties agree that in case of any difference or dispute arising between the seller and the buyer will be

resolved by mutual discussions and agreement. However, unresolved issues, if any, will be settled by arbitration as per the Indian Arbitration and Conciliation Act, and the venue of the arbitration will be Hyderabad, Andhra Pradesh.”

4. In this case, several exchanges of notices were taken place between the parties and demand for appointment of arbitrator was also made. Since there is no response from the respondent, this Court is of the opinion that the application is to be allowed.

5. Accordingly, the arbitration application is allowed appointing Sri G.Bhoopathi Reddy, Retired District Judge, as the sole Arbitrator for resolution of dispute(s) between the applicant and respondent, arising out of agreement dated 28-12-2010, in accordance with the provisions and mandate of the Act of 1996. The learned Arbitrator shall be entitled to fees as per the rates specified in the Fourth Schedule to the Act of 1996, inserted by Act 3 of 2016 with effect from 23-10-2015, which shall be borne by both parties in equal measure. No order as to costs.

A.RAJASHEKER REDDY, J

Date: 12-11-2019

Note:

Mark a copy to Sri G.Bhoopathi Reddy,
Retired District Judge,
H.No.2-2-1075/22,
Bagh Amberpet,
Hyderabad.

(b/o)
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