

THE HON'BLE SRI JUSTICE A.RAJASHEKER REDDY

ARBITRATION APPLICATION No.9 OF 2014

ORDER:

This Arbitration Application is filed under Section 11 (5) & (6) of the Arbitration and Conciliation Act, 1996 (for short 'the Act of 1996'), for appointment of an Arbitrator for adjudicating the disputes between the parties by passing an award.

It is the case of the applicant that it is a landscape architectural firm and has worked with high profile companies; that the respondent company had issued work order dated 19.8.2011 to the applicant to design the Greenbelt and provide suitable landscape to the entire plant with softscape and hardscape for the open space in the plant at thermal power project of SEPL at Thamminapatnam of Mommidi Village, Chillakur Mandal, SPSR Nellore District; that as per the work order, the applicant has completed the entire work assigned to it; that on successful completion of the work, the applicant has submitted bills of payment to the respondent; that as there was no response from the respondent, the applicant was constrained to get issued legal notice on 05.3.2013 for payment of Rs.12,06,335/- within 15 days from the date of notice; that instead of paying the amount, the respondent has issued a reply on 23.3.2013 not only denying the payment of the amount but termed the claim made by the applicant as vexatious; and that as per Clause No.4 of the work order dated 19.8.2011, all the disputes between the parties have to be resolved through arbitration.

It is the further case of the applicant that as the respondent has not responded to its request dated 10.8.2013 for referring all the disputes between, the present Arbitration Application is filed.

Heard learned counsel for the applicant.

Though the respondent has entered appearance through an advocate, but, there is no representation for the respondent.

Learned counsel for the applicant reiterated the contents in the Arbitration Application and prayed to appoint a sole Arbitrator for resolving the disputes between the parties.

Clause No.4 of the Work Order dated 19.8.2011 reads as follows: -

“Arbitration: In case of any dispute or disagreement during the execution of contract, matter may be referred to Managing Director of MPL for his sole arbitration; decision of the Managing Director will be final and binding on all parties.”

A perusal of the clause goes to show that for all the disputes arising out of the Work Order, arbitration clause is provided thereunder.

No counter is filed on behalf of the respondent controverting the aforesaid facts.

There is no dispute with regard to existence of arbitration clause in the Work Order dated 19.8.2011 and also with regard to issuance of notice dated 05.3.2013 by the applicant and the reply dated 23.3.2013 sent by the respondent thereto disputing the liability and payment of amount.

In view of the same, the Arbitration Application is allowed and Sri Kowturi Pavan Kumar, Advocate, is appointed as arbitrator, to adjudicate the claims and disputes between the parties and to pass an award in accordance with law.

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 proportion.

Interlocutory applications pending, if any, shall stand closed.

No order as to costs.

JUSTICE A. RAJASHEKER REDDY

11th November 2019

Note:

*Issue copy of this order
to Sri Kowturi Pavan Kumar,
Advocate.*

*B/o
dr*