

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 28.9.2020

CORAM

THE HONOURABLE MR.JUSTICE N.SATHISHKUMAR

O.P.No.355 of 2020

Manikandan Payapandian

... Petitioner

Vs.

Big Laundry Services Pvt. Ltd.
Rep. by Mr.Kumaraguru Seshadri, Director,
1/56, Pudupakkam, Off. Kelambakkam to
Vandalur road, Kanchipuram 603 103,
Tamilnadu.

... Respondent

Prayer: Petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint a sole arbitrator on behalf of the parties to resolve the dispute in terms of the Franchise agreement, dated 26.2.2018 between the petitioner and the respondent.

For Petitioner : Mr.Vigneshwar Ilango
For Respondent : Mr.Vivekanandan

ORDER

The petition has been filed for appointment of an Arbitrator to enter upon the dispute between the parties, arising out of the Franchise agreement, dated 26.2.2018.

2. Pursuant to the Franchise agreement, dated 26.2.2018, the petitioner paid an amount of Rs.25,00,000/- (Twenty five lakhs only) to the respondent as Franchise refundable deposit towards Rs.5,00,000/- (Rupees five lakhs only) each for five separate outlets which is under the care and control of the respondent. In terms of clause 3.2 of the agreement, the respondent assured a monthly revenue of 9% per annum on the refundable deposit was liable to be paid by the respondent on a quarterly basis to the petitioner. As dispute arose between the parties, the petitioner caused notice to the respondent, dated 23.01.2020 and invoked arbitration clause in the franchise agreement and also proposed name of an eminent advocate to act as a sole Arbitrator. However, the respondent vide reply notice, dated 18.2.2020 had not agreed with the name proposed by the petitioner to act as an Arbitrator.

3. The petition has been filed pursuant to the dispute arose between the parties. The parties are governed by the franchise agreement dated 26.2.2018. The arbitration clause in the franchise agreement, dated 26.2.2018 reads as follows:

"In the event of any dispute or difference between the parties hereto, whether arising out of or in relation to this agreement, then either party shall given to the other party a notice in writing of such dispute or

difference and the same shall be settled at the first instance, by arbitration in Chennai, by a sole Arbitrator appointed by mutual consent of both the parties herein within a period of 30 days from notice of dispute. If the parties fail to appoint a sole Arbitrator within the given time, the Arbitrator shall be appointed in accordance with the Arbitration and Conciliation Act, 1996, or any statutory modification or substitution thereof ("Arbitration Act")'.

4. Franchise agreement itself provided reference with regard to the dispute resolved through arbitration. Having regard to the nature of dispute and the advance amount paid by the petitioner in the agreement, Thiru S.S.Rajesh, M.S.No.919/95, Advocate, Rua Legal, Flat A, Srilalitha, Door No.16, Sripuram 1st Street, Royapettah, Chennai 600 014 is appointed as Arbitrator to enter upon the reference. The learned counsel for the petitioner and the learned counsel for the respondent have no objection for the same.

5. Accordingly, it is ordered as follows:

i) That **Thiru S.S.Rajesh, M.S.No.919/95, Advocate, Rua Legal, Flat A, Srilalitha, Door No.16, Sripuram 1st Street, Royapettah, Chennai 600 014** be and hereby appointed as Arbitrator to enter upon the reference and adjudicate the disputes inter se the parties.

ii) That the learned Arbitrator appointed herein, shall 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.

iii) That the learned Arbitrator appointed herein shall be at liberty to fix his remuneration and other incidental expenses, which shall be borne by the parties equally.

6. The Original Petition is ordered accordingly, leaving the parties to bear their own costs.

28.09.2020

Index: Yes/No
Internet: Yes/No
Speaking/non speaking Order
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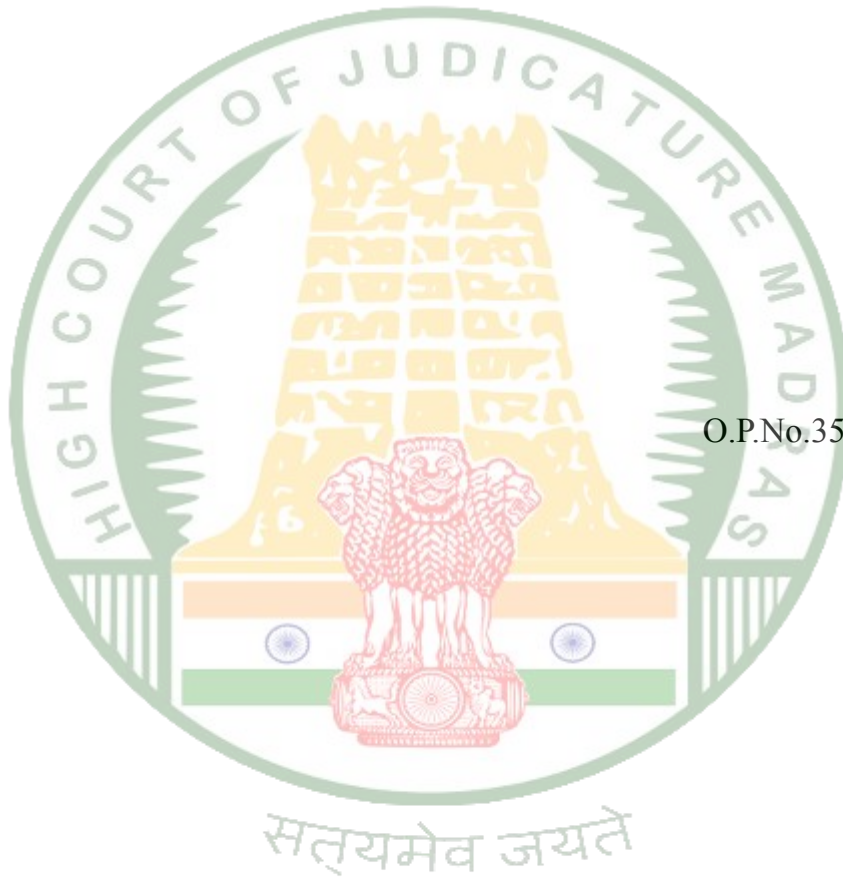


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N. SATHISHKUMAR, J.

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