

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 11.01.2021

C O R A M

THE HONOURABLE Ms. JUSTICE P.T. ASHA

O.P.No.598 of 2020

Laly George

...Petitioner

-V-

SIPCOT Limited
rep.by its Managing Director,
No.19-A, Rukmani Lakshmipathy Road,
Egmore,
Chennai – 600 008.

...Respondent

Prayer: Original Petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 praying to appoint a Sole Arbitrator to adjudicate the disputes between the parties arising out of the Lease Deed dated 13.09.2007.

For Petitioner : Mr.P.Wilson,
Senior Counsel
for M/s.Richardson Wilson

For Respondent : Ms.Sudharsana Sunder

ORDER

The above application is filed for appointing an Arbitrator to resolve the disputes between the parties arising out of the Lease Deed dated 13.09.2007.

2.The respondent has issued a Letter dated 26.09.2020 cancelling the allotment granted to the petitioner of Plot No.K-53(2). SIPCOT Apparel Park, Irungattukottai, Sriperumbudur – 602 117 ad-measuring 2.74 acres on 24.07.2007. The respondent has cancelled the Allotment Order on the ground that the petitioner/allottee who was planned to commence construction of the Factory within a period of six months from the date of allotment, complete the constructions

within 24 months and to commence the production in 13 months from the date of allotment failed to do so and to date, the property remains unutilized.

3.The petitioner would submit that the very Cancellation Order is without any basis since the petitioner had already taken steps to put up their constructions and it is only on account of lack of certain facilities and therefore, the petitioner is unable to go ahead with the construction. The petitioner would submit that Clause 35 of the Lease Agreement dated 13.09.2007 contains the dispute resolution clause that the clause has been invoked vide their order dated 10.10.2020 in and by which the respondent appoints an Arbitrator since there is no response the present petition has been filed.

4.The learned counsel for the respondent would submit that there is a dispute between the parties which is arbitrable.

5. Accordingly, it is ordered as follows:

i) Thiru.N.L.Rajah, Senior Counsel residing at New No 8, Old No 7, 4th Street, Venkateshwara Nagar, Adyar, Chennai - 600020, Contact No.9841013617 is appointed as the Arbitrator to enter upon reference and adjudicate the disputes *inter se* the parties.

ii) 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. It is open to the respondent to raise all legal objections as to the validity of contract.

iii) The learned Arbitrator is at liberty to fix his remuneration and other incidental expenses as per law.

iv) 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.

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

11.01.2021

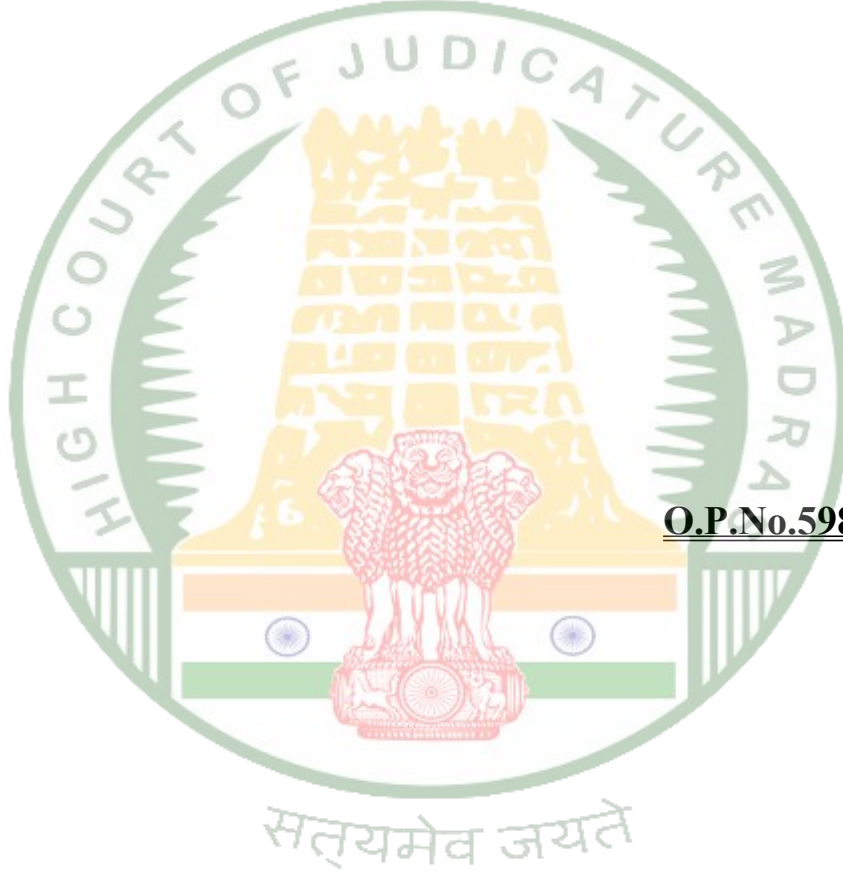
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