

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24.02.2021

CORAM

THE HONOURABLE Ms. JUSTICE P.T. ASHA

OP.No.676 of 2020

M/s. Samunnati Agro Solutions Pvt. Ltd.,
Registered Office at Baid Hi Tech Park,
8th Floor, No.129-B, East Coast Road,
Thiruvannamiyur, Chennai - 600 041
Represented by its
Senior Manager Mr. D.Vijayakarathi

...Petitioner

Vs

1. M/s. Hari Traders,
Represented by its Managing Partnership
Mr. V. Balakrishnan
No.4/348 Dharapuram, Main Road,
Sanarpathy, Ambilikkai,
Oddanchatram (Tk. & Dt.) - 624612

2. V. Balakrishnan

3. B. Lalitha

... Respondents

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Prayer : Original Petition filed under Section 11 (6) of the Arbitration and conciliation Act, 1996 praying to appoint a Sole Arbitrator as provided under Clause 13 of the Sourcing and Distribution Agreement dated 12.09.2017 to adjudicate upon the differences and disputes between the parties under the said agreement dated 12.09.2017.

For Petitioner : Mr. M. Arunachalam

ORDER

The above petition is filed for appointing an Arbitrator to resolve the disputes that have arisen between the parties under Clause 13 of the Sourcing and Distribution Agreement dated 12.09.2017.

2. The counsel for the petitioner would submit that under the Sourcing and Distribution Agreement, which was entered into between the parties, the respondents were to procure agriculture commodities from the petitioner and trade the same to their clients. The respondents were to pay the consideration to the petitioner for the same.

3. The counsel would further argue that towards the supplies made,

the respondents had not made payment in respect of over 5 invoices and a demand notice was issued. The respondents 2 and 3 had executed a Deed of Personal Guarantee in favour of the petitioner towards performance of the Sourcing and Distribution Agreement. The Sourcing and Distribution Agreement had contained a dispute resolution clause in Clause 13 under which, parties had agreed to resolve their disputes through arbitration. The Guarantee Deed also contained an Arbitration Clause.

4. The petitioner had made a demand on 10.10.2019, to which the respondents had sent a reply dated 12.10.2019 assuring the petitioner that they would clear the outstanding. Since there was no response thereafter and their payments had not been made, the petitioner had terminated the agreement and called upon the respondent to pay a sum of Rs.54,41,967/- together with interest, failing which, they had stated that the matter would be resolved by appointing one of their staff as the Arbitrator. The notice sent to the first respondent was returned and it was only the second respondent who had received the notice. Thereafter by another notice dated

27.10.2020, the petitioner had named three persons, be appointed as the arbitrator and sought the consent of the respondents. Even to this, there has been no response.

5. The respondents had entered appearance but however had not filed their counter.

6. Considering the fact that the parties have agreed to resolve their disputes through Arbitration and as admittedly the disputes have arisen between the parties, I appoint Mr. Sundar Narayan, as the Arbitrator.

7. Accordingly, it is ordered as follows:

(i) Mr. Sundar Narayan, Advocate, Old No.155, Linghi Chetty Street, 3rd Floor, Chennai - 1, Mobile No- 9444037482, 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 respondents 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.

सत्यमेव जयते

24.02.2021

mrn

Index : Yes/No

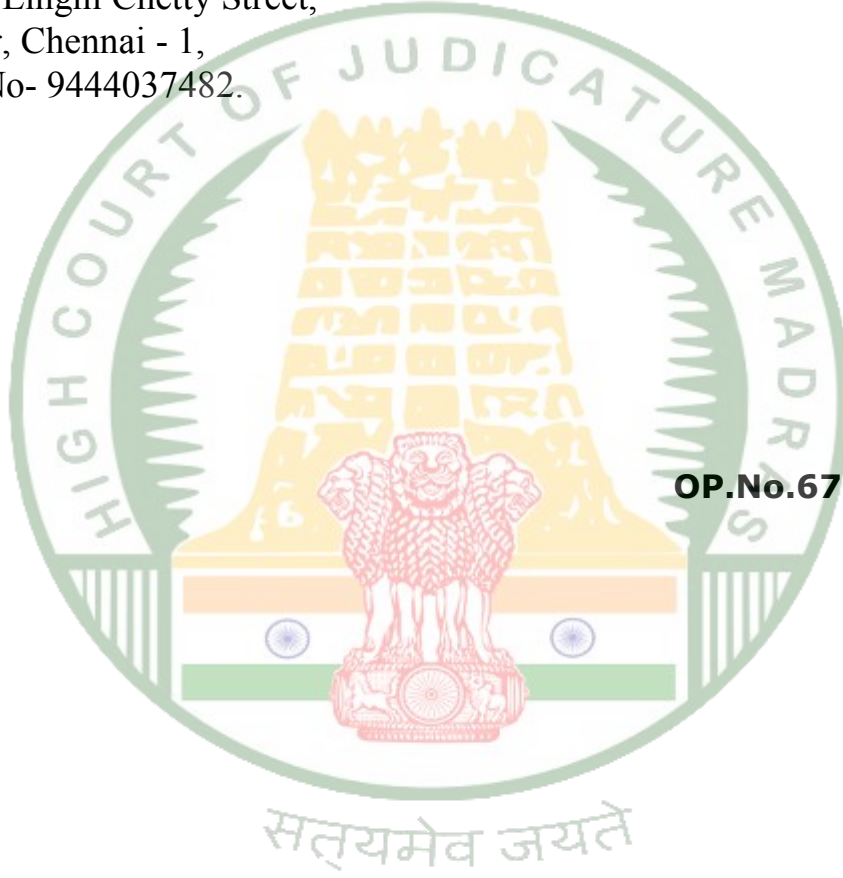
Speaking order/non-speaking order

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P.T.ASHA, J.

mrn

To,
Mr. Sundar Narayan, Advocate,
Old 155, Linghi Chetty Street,
3rd Floor, Chennai - 1,
Mobile No- 9444037482.



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