

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**FRIDAY, THE THIRTIETH DAY OF DECEMBER
TWO THOUSAND AND TWENTY TWO**

PRESENT

THE HONOURABLE SRI JUSTICE A.ABHISHEK REDDY

ARBITRATION APPLICATION NO: 58 OF 2022

Between:

1. Sama Srinivas Reddy, S/o. Yadi Reddy, Aged about 60 years, Occ. Business, R/o 4-51, Shantinagar, Kalwancha, Vanasthalipuram, Hyderabad - 500070
 2. Sama Sudhishna, W/o S. Srinivas Reddy, Aged about 55 years, Occ. Housewife, R/o 4-51, Shantinagar, Kalwancha, Vanasthalipuram, Hyderabad - 500070.
- ...APPLICANTS**

AND

M/s Nspira Management, Rep by its authorized signatory Mr. K.S.Sastry, O/o 10th Floor, Melange Towers, Sy.No. 80-84 Patrika Nagar, Hitech City, Madhapur, Hyderabad - 500081

...RESPONDENT

Arbitration Application Under Section 11 (6) of the Arbitration and Conciliation Act, 1996 R/w. Scheme for Appointment of Arbitrators, 1996 praying for the reasons stated in the accompanying affidavit filed therewith, the Hon'ble Court may be pleased to

- i) To appoint an independent arbitral tribunal with Sole Arbitrator on reasonable fees to resolve the disputes between the applicants and the respondent in relation to the Renewal Lease Deed dated 03/07/2018.
- ii) To award costs of the Application and

Counsel for the Petitioner: M/s. CHERUKU SINDHURA

Counsel for the Respondent: NONE APPEARED

The Court made the following: ORDER

THE HON'BLE SRI JUSTICE A. ABHISHEK REDDY

ARBITRATION APPLICATION No.58 OF 2022

ORDER:

This application is filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (for short 'the Act'), seeking appointment of an Arbitrator.

2. Despite service of notice, the respondent has not entered appearance either in person or through an Advocate.

3. It is the case of the applicants that they are the owners and possessors of the premises, admeasuring 38,625 square feet, situated in Survey Nos.2, 4, 6 and 7 of Kalvancha Village, Shantinagar, Kuntloor Grampanchayat, Hlayathnagar Revenue Mandal, Ranga Reddy District. The subject premises was taken on lease by the respondent in the year 2013 for running a student hostel. On expiry of the lease period, the applicants and the respondent entered into a Renewal Lease Deed dated 03.07.2018 for a period of five years. It is stated that by virtue of the Lease Deed dated 03.07.2018, the respondent shall pay the monthly rent on or before 10th of every month. While so, on 14.03.2019, the respondent has sent a notice to the applicants stating that they are unable to continue the lease and that they will vacate the

premises. Though the respondent is in possession and enjoyment of the premises, they are not paying the monthly rents since May, 2020, even after several reminders. Therefore, the applicants have got issued the Legal Notice dated 12.02.2022 invoking the arbitration clause. Since the respondent did not respond to the said Notice, the applicant has filed the present Application.

4. Heard the learned counsel for the applicants and perused the record.

5. A perusal of the Renewal of Lease Deed dated 03.07.2018 discloses that Clause 18 thereof contains the arbitration clause, which reads as follows:-

"That if any dispute arises both the parties should settle the matter amicably through negotiations. If could not be resolved, then the dispute can be referred to the sole arbitrator appointed by the Lessee. This agreement is subject to arbitration as per the Arbitration and Conciliation Act, 1996. The language of the said Arbitration will be English and the place of Arbitration will be at _____ All the disputes regarding this renewal lease deed including any proceedings whatsoever if initiated in Courts shall be subjected to the concerned jurisdiction."

6. I am satisfied that the disputes are covered by the arbitration clause. The respondent has not contested the matter and no counter affidavit is filed. There is no dispute as to the

existence of the arbitration agreement. In the circumstances, I am of the considered view that sole arbitrator can be appointed.

8. In the result, the Arbitration Application is ordered appointing Sri Justice A. Gopal Reddy, the retired Judge of this Court, as the sole Arbitrator to arbitrate on the disputes between the applicants and the respondent and the said arbitrator shall enter on reference and proceed with, as enjoined by the Act.

9. The learned Arbitrator shall fix his remuneration as per the statutory provisions. He shall also fix the costs and expenses of the secretarial assistance for the arbitration proceedings upon deliberation and consultation with the parties. All the costs and expenses of the arbitration proceedings shall be borne by both the parties in equal share. The Learned Arbitrator is requested to complete arbitration proceedings, and pass an award at the earliest, preferably within six months from the date of commencement of the arbitral proceedings.

Miscellaneous Applications, if any, pending in the Arbitration Application, shall stand closed. No order as to costs.

Sd/- C.V.MALLIKARJUNA VARMA
JOINT REGISTRAR
SECTION OFFICER

//TRUE COPY//

To,

1. Honourable Sri Justice A. GOPAL REDDY, Retired Judge of High Court for the State of Telangana , Plot No. 511, Phase III, Road No. 86, Jubilee Hills, Hyderabad -33. (by Special Messenger) (along with a copy of affidavit and material papers)
2. One CC to M/s. CHERUKU SINDHURA, Advocate [OPUC]
3. Two CD Copies

HIGH COURT

AARJ

DATED:30/12/2022

ORDER

ARBITRATION APPLICATION .No.58 of 2022



ORDERING THE ARBITRATION APPLICATION.

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13/2/23
JHS