

224

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

ARB No. 17 of 2021 (O&M)

Date of Decision: 19.12.2022

PRADEEP GOVIL

.....Petitioner

Versus

M/S INTELLIGENT INDUSTRIES

.....Respondent

CORAM: HON'BLE MR. JUSTICE RAJ MOHAN SINGH

Present: Mr.Y.P.Gupta, Advocate for the petitioner.

None for the respondent.

RAJ MOHAN SINGH, J. (Oral)

The petitioner has preferred this petition under Section 11(6) of the Arbitration and Conciliation Act, 1996 for appointment of an Arbitrator for resolution of the dispute between the parties arising out of Memorandum Of Understanding dated 04.09.2015.

Vide the aforesaid Memorandum Of Understanding, the petitioner has lent a sum of Rs.40 lacs to the respondent/ first party in the Memorandum Of Understanding on an annual interest of 18% through RTGS dated 11.08.2015 drawn on ICICI bank Ltd., Pune. As per condition No.3.2 of the Memorandum Of Understanding, the first party shall issue the cheque for the amount of Rs.40 lacs in favour of the petitioner. The first party shall observe the Lock in Period of 12 months starting from 01.09.2015 till 31.08.2016. Thereafter, the first party shall be at its option can return back the borrowed amount. In terms of condition No.3.5, the first party had issued 12 post dated cheques of Rs.54,000/- each after deducting TDS @ 10%

drawn on IDBI Bank, Sohna Road, Gurgaon. After making payments towards interest for some time, the cheque No.165166 dated 10.04.2018 issued by the respondent was dishonoured on 15.04.2018 on account of "insufficient funds". Thereafter, the respondent stopped payment of even interest accrued on the principal amount of Rs.40 lacs. The principal amount of Rs.40 lacs has not been paid so far along with interest. The petitioner served a legal notice dated 28.01.2020 for recovery of the aforesaid amount and the same was never replied by the respondent. Ultimately, in terms of arbitration Clause No.4.1 of the Memorandum of Understanding, the petitioner issued a notice of invocation on 07.03.2020 and the same has also not been replied by the respondent.

Learned counsel for the petitioner submits that in the identical case between one of the investors with the same respondent i.e. M/s Intelligent Industries, this Court has already appointed an Arbitrator in ARB No. 23 of 2021 vide order dated 02.12.2022.

Notice of motion was issued on 11.02.2021. Despite service none has appeared on behalf of the respondent till date. Vide order dated 16.05.2022, the respondent was proceeded against ex parte.

The tentative value of the claim of the petitioner is Rs.56,89,695/-.

Since the pleadings of the petitioner have gone unrebutted, therefore, I deem it appropriate to appoint Sh.M.P.Mehndiratta, District and Sessions Judge (Retd.), House No. 1090 Sector 15 Part-2 Gurugram (Mobile:09250925555) as the sole Arbitrator, to resolve the dispute/difference between the parties.

The appointment of the Arbitrator shall be subject to

the declaration to be made by him as required under Section 12 of Arbitration and Conciliation Act, 1996 in respect of his independence and impartiality to settle the dispute between the parties.

The Arbitrator would complete the proceedings within the specified time in terms of Section 29-A of the said Act. The Arbitrator shall be paid fee in accordance with the IVth Schedule of the Act as amended from time to time. The fee shall be borne by the petitioner and respondent(s) in equal proportion.

The venue will be as per the convenience of the Arbitrator.

The respondent shall also be entitled to raise any counter claim in respect of the stand taken in reply to the notice of invocation.

A copy of this order be dispatched to the Arbitrator at the following address:-

“Sh.M.P.Mehndiratta, District and Sessions Judge (Retd.), House No. 1090 Sector 15 Part-2 Gurugram (Mobile:09250925555)”.

Petition stands disposed of accordingly.

**(RAJ MOHAN SINGH)
JUDGE**

19.12.2022

anita

1.Whether speaking/reasoned: Yes/No
2.Whether reportable : Yes/No