

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

223

**ARB No. 23 of 2021 (O&M)
Date of Decision:02.12.2022**

NILANJANA MISHRA

.....**Petitioner**

Versus

M/S INTELLIGENT INDUSTRIES

.....**Respondents**

CORAM: HON'BLE MR. JUSTICE RAJ MOHAN SINGH

Present: Mr. Yash Pal Gupta, Advocate
for the petitioner.

None for the respondent.

RAJ MOHAN SINGH, J. (Oral)

The petitioner has filed 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.

Memorandum Of Understanding was executed between the parties on 01.10.2015 wherein the petitioner agreed to invest her money and further granted a friendly loan of Rs.20 lacs on an interest of 18% per annum in the name of the respondent's proprietorship firm. It was agreed between the parties that the respondent will pay regular interest over the invested amount which was duly secured by the post dated cheques. As per Clause 3.5 of the said Memorandum Of Understanding, the respondent issued post dated cheques

towards interest and also paid interest up to April, 2018. Thereafter the respondent intentionally stopped making payment of interest as per the agreement. Number of communications between the parties did not result in any meaningful conclusion. Thereafter, the petitioner served a legal notice upon the respondent on 28.01.2020 calling upon the respondent to pay an amount of Rs.26,93,710/- inclusive of principal amount and interest till 31.12.2019 along with interest at the rate of 18% per annum from 01.01.2020 till the date of final realization. The petitioner further served a legal notice upon the respondent on 07.03.2020, informing the respondent that the petitioner had appointed her nominee arbitrator and further called upon the respondent to appoint its nominee as per the agreement within 30 days of receipt of the notice. The notice was never replied by the respondent and the respondent even failed to comply with its obligation arising out of the agreement. The petitioner has already invoked the arbitration clause.

Notice of motion was issued on 14.01.2021. As per office report dated 02.08.2022, the respondent has been duly served. None has appeared on behalf of the respondent.

In view of the facts and circumstances of the case, I find that a bona fide dispute exists between the parties for which the matter has to be referred to the arbitrator.

At this stage, learned counsel for the petitioner submits that in view of the amount involved in the present case, an independent/sole arbitrator be appointed.

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.

02.12.2022
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(RAJ MOHAN SINGH)
JUDGE