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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% ***Date of decision: 18.01.2022***

+ **ARB.P. 1111/2021**

DLF LIMITED

..... Petitioner

Through **Mr.Dheeraj P. Deo & Mr.Abhishek Grover, Advs.**

Versus

M/S RANUTROL INDUSTRIES PVT LTD

..... Respondent

Through **Mr.Sanjay Kr. Yadav & Mr.Rohit Kathuria, Advs.**

CORAM:

HON'BLE MR. JUSTICE SURESH KUMAR KAIT

J U D G M E N T (oral)

The hearing has been conducted through video conferencing.

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of sole Arbitrator to adjudicate the disputes inter se the parties.
2. Pertinently, petitioner is a limited company incorporated under the Companies Act, 1956 and is involved in the business of providing development, management and investment services in relation to real estate projects.



3. According to the petitioner, respondent is a private limited company incorporated under the Companies Act, 1956 and is engaged in the business of sanitary goods such as bottle traps, angle valves, towel rods, water mixers, extension nipples, pillar cocks etc.

4. As per the averments made in the present petition, petitioner issued a purchase orders bearing no. ULT/POD/0013/1718 and SKT/POD/0016/1718 to the respondent with respect to purchase of sanitary goods such as bottle trap, angle valve, health faucets, etc. and in respect thereof, a warranty certificate was issued by the respondent stating that if any manufacturing defects are found, replacement will be provided on FOC basis. Thereafter on 10.05.2018, petitioner's project management consultant sent an email to the respondent mentioning that the materials supplied are underweight than what was stipulated in the purchase order. In response thereto, respondent agreed for the replacement of the defective goods, however, vide email dated 23.5.2018, it was mentioned that the Respondent manufactured only one kind of Extension pipes that are of standard quality thereby absolving the Respondent of any replacement of the defective goods.

5. On 30.05.2019, petitioner's management consultant wrote a letter to petitioner about the grievances of the customers of petitioner with respect to



the products of respondent and recommended to recover the amounts advanced to the respondents with respect to purchase of their goods and also recommended to stop giving further orders. Accordingly, petitioner through its consultant proposed termination of procurement of materials from the respondent company and blacklisted it for all upcoming projects of DLF.

6. Learned counsel next submitted that on 07.05.2021, petitioner sent legal notice to the respondent to refund the amount of Rs.80,14,857/- within 15 days for the defective/damaged material supplied. Thereafter vide notice dated 29.06.2021, petitioner invoked arbitration clause 18 of the purchase order under Section 11 of the Arbitration and Conciliation Act, 1996 and requested respondent to appoint an arbitrator.

7. During the course of hearing, learned counsel appearing on behalf of respondent has disputed the averments made in the present petition, however, submitted that the issues are arbitrable and this Court may appoint an Arbitrator to adjudicate the dispute between the parties subject to all issues remain open before the learned Arbitrator.

8. Accordingly, **Mr. Pramod B. Agarwala, Advocate (Mobile: 9999105066)** is appointed sole Arbitrator to adjudicate the dispute between the parties.



9. The fee of the learned Arbitrator shall be governed by the Fourth Schedule of the Arbitration and Conciliation Act, 1996.
10. The learned Arbitrator shall ensure compliance of Section 12 of Arbitration and Conciliation Act, 1996 before commencing the arbitration.
11. The present petition stands disposed of accordingly.
12. A copy of this order be sent to the learned Arbitrator for information.

JANUARY 18, 2022/ab

**(SURESH KUMAR KAIT)
JUDGE**

