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Arb.O.P (Com.Div.) No.223 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01.08.2024

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THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

Arb.O.P (Com.Div.) No.223 of 2024

M/s.Pyramid Lifestyle,
Represented by its Partner,
Mr.Siddharth Hemdev,
Spur-Tank Road, Chetpet,
Chennai 600 031.

... Petitioner

Vs.

K.Bharathiraja

... Respondent

Prayer:

Arbitration Original Petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint an independent Sole Arbitrator, in terms of Clause 19 of the Joint Development Agreement dated 06.03.2014 executed between the petitioner and the respondents, for the purpose of adjudicating upon the disputes that have arisen between the petitioner and the respondent thereunder and award costs of the present proceedings.



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Arb.O.P (Com.Div.) No.223 of 2024

For Petitioners : Ms.S.Krishnaa

For Respondent : No appearance

ORDER

This Arbitration Original Petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter called as “the Act”) to appoint an Arbitrator to adjudicate the dispute between the petitioner and the respondent.

2. In the present case, notice was served and the name of the respondent was also printed in the cause list. However, there is no representation on behalf of the respondent, which shows that they have no interest in contesting this matter. Therefore, this Court is inclined to hear the petitioner and proceed to pass the present order.

3. The learned counsel for the petitioner would submit that the parties had entered into a Joint Development Agreement (JDA) dated 06.03.2014 for development of schedule property into residential buildings. As per the



said JDA, the respondent is liable to pay a sum of Rs.50,00,000/- along with interest to the petitioner. However, the same was not paid. Therefore, the petitioner sent a notice dated 16.03.2024, under Section 21 of the Act, invoking Arbitration in terms of the Clause 19 of the said JDA. However, no consent was given by the respondent for Arbitration. Hence, this petition has been filed.

4. Heard the learned counsel for the petitioner and also perused the materials available on record.

5. In the present case, it appears that the dispute between the parties is arising out of the JDA dated 06.03.2014. Upon perusal of the JDA, it is clear that the dispute among the parties can be resolved by virtue of Arbitration as per Clause 19 of the said JDA, which reads as follows:

“Clause 19:

- a. The arbitration proceedings shall be conducted in English and the place of arbitration shall be Chennai alone.*
- b. The Arbitration shall be conducted by three Arbitrators, one nominated by each party and two arbitrators*



WEB COPY



Arb.O.P (Com.Div.) No.223 of 2024

appointing the neutral arbitrator. The decision of the Panel shall be final and binding on the parties.

c. The arbitrators shall state the specific reasons for their findings in writing. The Parties agree to be bound thereby and to act accordingly.

d. When any dispute occurs which is submitted to arbitration, except for the matter under dispute, the Parties shall continue to exercise their remaining respective rights and fulfil their remaining obligations as per the terms set out in this Agreement.

e. Court at Chennai alone shall have exclusive jurisdiction to deal with any matter arising out of this Agreement.”

6. Considering the submissions made by the learned counsel for the petitioner and also in view of the fact that the dispute between the petitioner and the respondent arose out of the JDA and the same can be resolved by virtue of Clause 19 of the said JDA dated 06.03.2014, this Court is inclined to appoint a Sole Arbitrator to adjudicate the disputes between the parties.



7. Accordingly, this Court feels it appropriate to pass the following order:

i) **Mr.G.K.Muthukumar, Advocate, Erode House, New No.66, Third Main Road, Gandhi Nagar, Adyar, Chennai-600 020, Mobile No.97868 44815**, is appointed as sole arbitrator to enter upon reference and adjudicate the disputes *inter se* the parties.

ii) The learned Arbitrator appointed herein, shall 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. The learned Arbitrator is also directed to decide the matter without influenced by the observations made by this Court in the present order.

iii) The learned Sole Arbitrator appointed herein shall be paid fees and other incidental charges, as per Schedule IV of the Act and the same shall be borne by the parties equally. In the event of non-appearance of the respondent, the petitioner shall bear the entire remuneration and other expenses and thereafter, the petitioner can recover the same directly from the respondent and vice versa.



Arb.O.P (Com.Div.) No.223 of 2024

8. This Arbitration Original Petition is ordered accordingly, leaving the parties to bear their own costs. Since this Court has appointed an Arbitrator, it is open to the petitioner as well as the respondent to seek other reliefs under the provisions of Arbitration and Conciliation Act 1996 before the Arbitrator.

01.08.2024

Speaking/Non-speaking order

Index : Yes / No

Neutral Citation: Yes / No

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Note: Issue order copy on 09.08.2024



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Arb.O.P (Com.Div.) No.223 of 2024

KRISHNAN RAMASAMY.J.,

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Arb.O.P (Com.Div.)No.223 of 2024

01.08.2024