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Arb.OP(Com.Div.)No.303 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: **24.10.2024**

Coram:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

Arb.OP(Com.Div.) No.303 of 2024

R.Stahl Private Limited,
Plot No.5, Malrosapuram Main Road,
Sengundram, Industrial Area,
Singaperumal Koil, Chengalpet Taluk,
Kancheepuram – 603 204.

... Petitioner

Vs.

Siddhartha Paul

... Respondent

Prayer: Original Petition is filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking to appoint an independent Sole Arbitrator to adjudicate the disputes between the Parties in terms of the Supply contract/Purchase Order dated 13.06.2022.

For Petitioner : Mr.P.S.Sashank
for R & P Partners

For Respondent : No appearance

ORDER

This petition is filed under Section 11(6) of the Arbitration and Conciliation



Act, 1996, seeking to to appoint an independent Sole Arbitrator to adjudicate the disputes between the Parties in terms of the Supply contract/Purchase Order dated 13.06.2022.

2. The petitioner states that Petitioner is a private limited company engaged in the business of manufacturing explosion-protected electrical and electronic products. The respondent approached the petitioner to sell and deliver goods and thereafter, the petitioner and respondent entered into a supply contract/purchase order dated 13.06.2022. The petitioner raised invoice on 21.10.2022 for Rs.57,48,960/- for the aforesaid purchase and for the same, the respondent has issued a post dated cheque dated 26.11.2022 for Rs.57,48,960/-. Thereafter, the petitioner received an e-mail on 25.11.2022 to hold the cheque and requested the petitioner not to deposit the cheque. The respondent admitted his liability and assured payment for Rs.25,00,000/- will be made on 28.11.2022 to the petitioner and remaining balance paid by 30.12.2022. However, the respondent paid only Rs.10,00,000/- and the balance is outstanding. Therefore, the petitioner invoked arbitration clause and issued notice dated 23.01.2024 and the same was returned as “unclaimed”. As per Condition 22 of terms and conditions of contract, any disputes or differences, arising between the parties, are to be referred to the arbitrators. The Condition 22 of terms and conditions of contract is reads as follows:-



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22.Dispute Resolution:

All disputes & differences arising out of or in connection with this agreement shall in the first instance be settled amicably by mutual negotiation between authorized representatives of both the parties.

Herein failing which the said disputes & differences shall be referred to arbitration by sole arbitrators to be appointed by the buyer herein. The arbitration shall be conducted in accordance with the Arbitration & Conciliation Act, 1996 and/or any statutory modification thereof. The venue of such arbitration shall be Delhi and the award passed by the tribunal shall be final & binding on the parties.”

3. The learned counsel appearing for the petitioner submitted that the petitioner approached the respondent invoking the arbitration clause and requested the respondent to appoint a sole arbitrator. Since there was no action, the petitioner approached this Court by filing the present petition for appointment of sole arbitrator.

4. Notice was ordered to the respondent on 06.08.2024 and there was no appearance for the respondent.



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5. On perusal of Condition 22 of terms and conditions of contract, it is evident that the disputes are required to be resolved through arbitration. The petitioner has also duly invoked the arbitration clause. In view of the failure of the respondent to respond thereto, or took consent to the nominee proposed by the petitioner, the Arbitral Tribunal is required to be constituted in accordance with Section 11 of the Arbitration Act.

6. Therefore, this Court is inclined to appoint an arbitrator from the list of empanelled arbitrators. Accordingly, this petition is allowed by appointing Mr.S.Karthikai Balan, Advocate (E.No.149/2011), residing at No.224, KB Law Chambers, 4th floor, LIC Building, Near Hot Chips Hotel, NSC Bose Road, Parrys, Chennai – 600 001 (Mobile No: 9894502341) as the Sole Arbitrator. The sole Arbitrator is directed to enter upon reference and adjudicate the dispute in accordance with law. It is open to the Sole Arbitrator to fix his fees and expenses in relation to the arbitral proceedings.

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Neutral citation: Yes/no

Index : Yes/No

Speaking/Non Speaking

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G.K.ILANTHIRAIYAN, J.

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