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Arb. O.P. (Com.Div.) No.336 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 12.11.2024

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THE HONOURABLE MR.JUSTICE C.V.KARTHIKEYAN

Arb. O.P. (Com.Div.) No.336 of 2024

Candid Ventures Private Limited
Having its registered Office at
Shop No.16, DDA Shopping Centre,
Load Sarai, New Delhi – 110 030
Petitioner

...

Vs.

BGR Energy Systems Limited
Having its Registered Office at
Plot NO.15, Pannamagadu Industrial Estate,
Ramapuram Post, Sullurpet (T),
Nellore District, Andhra Pradesh 524 401.

also at
Ghatampur Thermal Power Project
Ghatampur Tehsil,
Kanpur Nagar,
Uttar Pradesh – 209 206.

... Respondent

Petition filed under Section 11 (6) of The Arbitration and Conciliation Act, 1996 to appoint a sole arbitrator to resolve the dispute between the petitioner and the respondent as per the Service Order



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No.3300027411 dated 05.04.2019 (as amended from time to time) and to direct the respondent to pay the costs of this petition.

For Petitioner : Mr.Antony R. Julian

For Respondent : M/s.C.P.Prasanth Gopal

ORDER

This petition has been filed taking advantage of Section 11(b) of the Arbitration and Conciliation Act, 1996 seeking appointment of an arbitrator to settle the dispute which has arose between the petitioner and the respondent.

2. In the petition filed, it had been contended that the petitioner, a registered company under Companies Act is in the business of providing Cranes, Pumps and construction equipments on hire/rent in Delhi and other States. The respondent had been awarded a contract for construction of 3x660 MW Supercritical Ghatampur Thermal Power Project. The petitioner had therefore despatched the Crane in January 2019 which was received by the respondent in the project site on 24.01.2019. The Crane



was put to profitable use by the respondent. Thereafter, there were disputes which had arisen relating to service order issued by the respondent. It had been further stated that the petitioner had received an email on 01.06.2020 that the machine had been hired on and from 22.03.2020. The petitioner claims an amount of Rs.11,44,658/- to be paid by the respondent for the services availed between 01.01.2020 and 31.03.2020. The petitioner had addressed electronic mails to the respondent but they were of not avail. It is under those circumstances that the petitioner had taken a decision to invoke the clause relating to settlement of dispute through arbitration in the agreement entered into between the petitioner and the respondent. The said clause in the agreement dated 05.04.2019 is as follows:-

“Settlement of disputes: Any dispute or difference whatsoever arising between the parties out of or relating to this contract shall be settled by mutual discussion. If the parties fail to solve such dispute or difference by mutual consultation, same shall be settled by arbitration in accordance with the Arbitration and Conciliation Act, 1996 as amended till date and the award made in pursuance thereof shall be binding on the parties. The seat of arbitration shall be Chennai. The language of Arbitration shall be English”



3. Notice had been directed to the respondent and counsel had entered appearance. Initially there was a possibility of issues being settled between the parties. But the learned counsel for the petitioner stated that though offer was made by the respondent, it was not constructive and it was made only to protract the proceedings. It is under those circumstances the learned counsel insists that the Court should appoint an arbitrator to examine the disputes between the petitioner and the respondent.

4. The learned counsel for the respondent is present. There can be no denial of the existence of the arbitration clause in the agreement between the petitioner and the respondent.

5. The fact that the Crane had been hired for services of the respondent can neither be denied or disputed. The respondent had issued a notice stating to have hired the Crane. But they had put the Crane to use for a specific period of time. The petitioner claims the amount to be paid for such services rendered. The respondent denies that the dispute had arisen out of the agreement. Any settlement of such dispute should be examined through an arbitral process. It is for that purpose application has been filed.



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6. Accordingly, Mr.Arun Karthik Mohan, New No.161/1, Kanakashree Apartments, 1st floor, V.M.Street, Jagadambal Colony, 2nd Street, Royapettah, Chennai 600 014 (Mobile No.8754463801) is appointed as Arbitrator to enter reference and examine the disputes between the parties and pass an award. The fees of the learned Arbitrator may be determined in accordance with schedule given to the Arbitration and Conciliation Act, 1996. The learned Arbitrator may endeavour to dispose of the petition within a period of nine months from the date of which the respondent had entered appearance.

7. With the above direction the petition stands disposed of. No costs.

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Index:Yes/No

Internet:Yes/No

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