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Arb.OP(Com.Div.)No.400 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 29.10.2024

Coram:

THE HONOURABLE MR. JUSTICE G.K.ILANTHIRAIYAN

Arb.OP(Com.Div.) No.400 of 2024

TICEL Bio Park Limited,
No.5, CSIR Road, Taramani,
Chennai – 600 113,
Rep by its Managing Director,
P.Poongumaran

... Petitioner

Vs.

1. Coindsyz Software Solutions,
No.1274, RSB Towers,
Mettupalayam Road,
Above Laxmi Industries,
Coimbatore – 641 043.
Rep. by its Proprietor
Ramakrishnan

2. Ramakrishnan

... Respondents

Prayer: Original Petition is filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking to appoint an arbitrator to adjudicate the disputes between the petitioner and the respondents in terms of the lease deed dated 13.02.2023.

For Petitioner : Mr.Jose John

For Respondents : Mr.Balasubramanian



ORDER

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This petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking appointment of an arbitrator to adjudicate the disputes between the petitioner and the respondents in terms of the lease deed dated 13.02.2023.

2. The petitioner states that the second respondent in order to carry out business of the first respondent, sought a module on lease in the petitioner's premises. The petitioner acceded to the request and allotted module No.503 in the fifth floor at TICEL Bio Park Limited – III, vide lease deed dated 13.02.2023. However, the first respondent defaulted in its payment obligations since June, 2023. The petitioner cites the arbitration clause in the lease agreement dated 13.02.2023, and submits that the dispute which has arisen between the petitioner and the respondents herein is liable to be referred to arbitration in terms thereof. The relevant clause in the agreement deed is set out below:-

“ARTICLE.XXIII- ARBITRATION

a. Any dispute or difference between the Parties with regard to this Lease Deed and all connected and related matters whatsoever shall be discussed and settled amicably. In the event of any failure to resolve the disputes or differences amicably, all such disputes or differences whatsoever, shall be referred to arbitration. The



arbitration proceedings shall first be conducted in English and in accordance with the provisions of Indian Arbitration and Conciliation Act 1996 or any statutory modification or enactment thereof. The venue of arbitration shall be Chennai.

b. The Parties have agreed that the sole arbitrator will be appointed mutually by both the Parties. The arbitration proceedings will be on a fast track. Any of the Parties going for arbitration will submit its claim petition and documents to the arbitrator within one (1) week of the reference being made to the arbitrator, with a copy to the other Party. The other Party will submit its counter arguments and its documents to the arbitrator after serving a copy to the Party opting for arbitration, within one (1) week thereafter. The Parties can file their further replies or documents within one week thereafter. Immediately after the 3rd week, the sole arbitrator will endeavour to commence the hearing on the 22nd day and will endeavour to go on with the hearing of the case from day to day without any adjournment, as far as possible. The sole arbitrator will also endeavour to give his award as early as possible.

c. The arbitration proceedings will be completed as far as possible within 40 days from the date of reference. The decision of the arbitrator will be final and binding on the Parties."

3. The petitioner also points out that a notice dated 10.01.2024 was issued to the respondents under Section 21 of the Arbitration Act, for which the respondents replied by way of a letter admitting that there is an arbitration agreement between the



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parties and sought further time to settle the dues. However, thereafter there is no reply from the respondents.

4. Notice was ordered on the respondents on 01.10.2024. Though the notice sent to the first respondent was returned with endorsement “left”, the second respondent was duly served with the notice and the learned counsel appearing for the respondents also present before this Court today. Therefore, there is no impediment to proceed with the matter.

5. On perusal of Article XXIII of the agreement deed dated 13.02.2023, 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 respondents to respond thereto, or took consent to the nominee proposed by the petitioner, the Sole Arbitrator is required to be appointed in accordance with Section 11 of the Arbitration and Conciliation Act.

6. Therefore, this Court is inclined to appoint an arbitrator from Chennai. Accordingly, this petition is allowed by appointing **Mr.S.G.Ramesh Kumar**, Advocate, (MS.592/93) having address at New No.30, Old No.55, Second Main Road, RA Puram, Chennai – 600 028, (Mobile: 9444044031) as the Sole Arbitrator.



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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.

29.10.2024

Neutral citation: Yes/no

Index : Yes/No

Speaking/Non Speaking

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To

Mr.S.G.Ramesh Cumar,
Advocate,
New No.30, Old No.55,
Second Main Road, RA Puram,
Chennai – 600 028



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G.K.ILANTHIRAIYAN, J.

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