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Arb.O.P.(Com. Div.) No.59 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : **22.04.2025**

CORAM

THE HON'BLE MR. JUSTICE ABDUL QUDDHOSE

Arb.O.P.(Com. Div.) No.59 of 2025

M.Koteswara Raju

... Petitioner

Vs.

K.V.S. Raju @ K. Venkata Siddi Raju

... Respondent

PRAYER: Petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 to appoint a sole arbitrator to adjudicate the dispute between the petitioner and the respondent in terms of the arbitration clause 43 of the Development Agreement dated 01.11.2016.

For Petitioner : Mr. M.Saravanan

For Respondent : Mr. A. R. Suresh
Ms. V. Kaavia

ORDER

This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking for appointment of an Arbitrator by this



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2. The petitioner and the respondent had entered into a Development Agreement dated 01.11.2016. The petitioner is the developer in the said agreement and the respondent is the land owner. There seems to be a dispute between the parties arising out of the Development Agreement dated 01.11.2016. The development agreement dated 01.11.2016 contains an arbitration clause, which is extracted hereunder:

"43. It is expressly agreed between both the parties that in the unlikely event of their arising any dispute with respect to this Development Agreement or any of its clauses thereof that remains unresolved by mutual discussions between both the parties, the same shall be resolved by Arbitration, in terms of the Indian Arbitration and Reconciliation Act, 1996. The arbitration will be held in Chennai. "



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3. The petitioner has issued notice dated 03.10.2023 to the respondent to comply with the requirements of Section 21 of the Arbitration and Conciliation Act, requesting the respondent to give consent for appointment of an arbitrator. A reply dated 25.10.2023 has also been received by the petitioner. Since there is an arbitration clause contained in the development agreement, which is the subject matter of dispute between the parties and since there is no consensus between the parties with regard to the name of the arbitrator, the petitioner has filed this petition under Section 11 of the Arbitration and Conciliation Act, 1996 seeking for appointment of an Arbitrator by this Court.

4. The respondent has been granted sufficient opportunities to file the counter in this petition since 06.03.2025. The respondent counsel had entered appearance in this petition. Thereafter, the matter was adjourned to 22.04.2025. However, till date, the respondent has not filed counter.

5. Learned counsel appearing for the respondent had also not disputed the existence of the arbitration clause in the contract, which is the subject



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matter of dispute between the parties. In view of the existence of the arbitration clause in the contract, which is the subject matter of the dispute between the parties, and since the petitioner has complied with the requirements of Section 21 of the Arbitration and Conciliation Act, and since there is no consensus between the parties with regard to the name of the arbitrator, this Court will have to necessarily appoint an arbitrator as prayed for in this petition under Section 11 of the Arbitration and Conciliation Act.

6. Accordingly, this Arbitration Original Petition is allowed as prayed for by issuing the following directions:

(a) M.K. Kabir, Senior Advocate, who is having office at GE, Vantage Tower, 34, 5th Avenue, Besant Nagar, Chennai - 600 090 (Mobile No.98400 44258) is appointed as the sole Arbitrator to decide the dispute between the petitioner and the respondent arising out of the Development Agreement dated 01.11.2016;

(b) The Arbitrator shall be paid his remuneration / fees in accordance with the 4th schedule of the Arbitration and Conciliation Act, 1996 or as per the mutual consent of both the parties;



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(c) Both the parties shall equally share the arbitrator's fees;

(d) The Arbitrator shall conduct the arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and shall complete the arbitration within the specified time as prescribed under the said Act.

22.04.2025

Index : Yes/No
Speaking Order : Yes / No
Neutral Citation Case: Yes / No
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ABDUL QUDDHOSE. J.,

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