

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

FRIDAY, THE EIGHTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY FOUR

PRESENT

THE HONOURABLE THE CHIEF JUSTICE ALOK ARADHE

ARBITRATION APPLICATION NO: 172 OF 2024

Between:

M/s. Vishrut Vasusri Constructions LLP, Having its registered office at 3rd Floor, V.V.S. Crest, Plot No. 8-2-438/7, Road No. 4, Banjara Hills, Hyderabad - 500024, Represented by its Authorized Signatory, Mr. Pannala Harsha Vardhan

...Applicant

AND

1. M/s. Lakshmi Balaji Developers Pvt Ltd., Having its registered office at 11-74, Sri Ram Nagar Colony, Chennapuram, Balaji Nagar, Secunderabad-87, Represented by its Managing Director Mr. Kuthadi Srinivas
2. Kuthadi Srinivas, S/o. Late K. Narsimha, Aged.50 years, Occupation Business, R/o. 11-74, Sri Ram Nagar Colony, Chennapuram, Balaji Nagar, Secunderabad- 500 087.
3. Radha Kuthadi, Director of Lakshmi Balaji Developers Pvt Ltd., Having its registered office at 11-74, Sri Ram Nagar Colony, Chennapuram, Balaji Nagar, Secunderabad- 500 087.

...Respondents

Arbitration Application filed under Section 11(4) & (5) of the Arbitration and Conciliation Act, 1996 praying that this Hon'ble Court may be pleased

- i. To appoint the Sole Arbitrator as per Article XXIII of Development Agreement cum General Power of Attorney dated 28.12.2021 read with Section 11(4) and (5) of Arbitration and Conciliation Act, 1996 to adjudicate the disputes/claims between the Applicant and the Respondents, in terms of the contractual violation of the Development Agreement cum General Power of Attorney dated 28.12.2021
- ii. To award costs of the Arbitration Application.

Counsel for the Applicant : Ms. Disha Agarwal, representing
Mr. Rohit Pogula

Counsel for Respondents : Mr. K.S. Sai Pavan, representing
Mr. M.V. Subba Reddy

The Court made the following: ORDER

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE

ARBITRATION APPLICATION No.172 of 2024

ORDER:

Ms. Disha Agarwal, learned counsel representing Mr. Rohit Pogula, learned counsel for the applicant.

Mr. K.S.Sai Pavan, learned counsel representing Mr. M.V.Subba Reddy, learned counsel for the respondents.

2. This application is filed under Section 11(4) and (5) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as "the Act"). The applicant seeks appointment of an arbitrator to resolve the dispute between the parties.

3. The parties have entered into Development Agreement cum General Power of Attorney dated 28.12.2021. Article XXIII thereof contains an arbitration clause and the same is extracted below for the facility of reference:

"Article XXIII Dispute Resolution

In the event of dispute(s), best efforts shall be made to resolve them by mutual discussions amicably. In the event the Parties are unable to arrive at an acceptable

solution to the dispute(s) within thirty (30) days from the date of dispute(s) arising, the same shall be referred to Arbitration in accordance with the procedure specified in the Arbitration and Conciliation Act, 1996 (Act 26 of 1996) as amended from time to time.

Arbitration.

Arbitration Procedure:

Any dispute or claim of any kind whatsoever between or among the Parties in connection with or arising out of this Agreement or the breach, termination or invalidity thereof (hereinafter referred to as a "Dispute") shall be referred to and finally resolved by arbitration conducted by a sole arbitrator appointed with the mutual consent of the Parties. The Parties agree that they shall attempt to resolve through good faith consultation, any such Dispute between any of the Parties and such consultation shall begin promptly after a Party has delivered to another Party a written request for such consultation. This Agreement and the rights and obligations of the Parties shall remain in full force and effect pending the award in such arbitration proceeding, which award, if appropriate, shall determine whether and when any termination shall become effective.

Venue of Arbitration:

The seat of the Arbitration shall be Hyderabad only and shall be conducted under, and in accordance with Arbitration and Conciliation Act, 1996 and all other relevant laws applicable on date. The language

of the arbitration shall be English and the award shall be binding on the Parties.”

4. A dispute has arisen between the parties. The applicant invoked the arbitration clause and sent a notice under Section 21 of the Act dated 08.05.2024 to the respondents, but the respondents failed to respond to the aforesaid notice.

5. The dispute that has arisen between the parties needs to be resolved in the manner agreed to by the parties under Development Agreement cum General Power of Attorney dated 28.12.2021.

6. The parties have no objection if the sole Arbitrator is appointed.

7. In view of aforesaid submission and taking into account the fact that admittedly an agreement namely Development Agreement cum General Power of Attorney dated 28.12.2021 exists between the parties, which has an arbitration clause, Mr. Justice P.Naveen Rao, a former Acting Chief Justice of this Court (Resident of #3001, My Home

Bhooja, Block-A, Plot Nos.22-24 & 31-33, Rayadurgam, Ranga Reddy District, Mobile No.8374012311) is appointed as sole arbitrator to adjudicate the dispute between the parties. The parties shall appear before the Arbitrator along with a copy of this order on 21.12.2024 at 11.00 a.m. Thereupon, the sole arbitrator shall proceed with the arbitral proceedings in accordance with law.

8. Accordingly, the Arbitration Application is allowed.

Miscellaneous applications pending, if any, shall stand closed. However, there shall be no order as to costs.

Sd/- M. VIJAYA BHASKER
JOINT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. Mr. Justice P. Naveen Rao, former Acting Chief Justice of Telangana High Court (Resident of #3001, My Home Bhooja, Block-A, Plot Nos. 22-24 & 31-33, Rayadurgam, Ranga Reddy District, Mobile No. 8374012311) (By Special messenger) (along with the copy of affidavit and material papers).
2. One CC to Sri Rohit Pogula, Advocate [OPUC]
3. One CC to Sri M.V. Subba Reddy, Advocate [OPUC]
4. Two CD Copies

Njb/gh

(Signature)

HIGH COURT

DATED:08/11/2024



ORDER

ARBAPPL.No.172 of 2024

ALLOWING THE ARBITRATION APPLICATION

⑥
14/11/24
bws