

**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 NOS: 201 AND 202 OF 2024

ARBAPPL.No. 201 of 2024

Between:

1. V. Ravindar Reddy, S/o Sathi Reddy Aged 52 years Occ - Business R/o. H.No. 1-112/A, Old Ramchandrapuram Village and Mandal, Sangareddy District
2. P.R Sunny, S/o Sri P.I Rappai, Aged 71 years Occ - Business R/o H. No.4549, Vidyut Nagar, Ramchandrapuram, Sangareddy District

...Applicants

AND

M/s Vibhat Homes Private Ltd, Rep. by its Managing Director, M. Srinivasa Shiva Kumar S/o. M. Somasekhar Rao Aged 51 years, Occ- Business BHEL Old MIG 1680, Nallagandla, Serilingampally, Rangareddy District

...Respondents

Arbitration Application filed under Section 11(5) & (6) of the Arbitration and Conciliation Act, 1996 praying that this Hon'ble Court may be pleased to appoint a Sole Arbitrator to adjudicate any and all questions, differences, disputes, claims, relating to or arising out of the registered Development Agreement-cum-General Power of Attorney document No.33022/19 dated 24/07/2019, executed between the Applicants and Respondent.

ARBAPPL.No. 202 of 2024

Between:

1. V. Ravindar Reddy, S/o Sathi Reddy Aged 52 years Occ . Business Rio. H.No. 1-112/A, Old Ramchandrapuram Village and Mandal, Sangareddy District,
2. Velubolu Rajya Lakshmi, W/o Sri V. Devadas Gandhi, Aged 67 years Occ . House wife R/o.Plot. No. 26, Shanthi Nagar, Deepthi Sri Nagar, Madinaguda, Hyderabad

...Applicants

AND

M/s Vibhat Homes Private Ltd., Rep. by its Managing Director, M. Srinivasa Shiva Kumar S/o. M. Somasekhar Rao Aged 51 years, Occ. Business BHEL Old MIG 1680, Nallagandla, Serilingampally, Rangareddy District.

...Respondents

Arbitration Application filed under Section 11(5) & (6) of the Arbitration and Conciliation Act, 1996 praying that this Hon'ble Court may be pleased to to appoint a Sole Arbitrator to adjudicate any and all questions, differences, disputes, claims, relating to or arising out of the registered Development Agreement-cum-General Power of Attorney document No.33023/19 dated 24.07.2019, executed between Applicants and the Respondent.

**Counsel for Applicants : Ms. Nisha Padmanabhan, representing
Mr. N. Manohar**

Counsel for the Respondent : Mr. Nambi Krishna

The Court made the following: COMMON ORDER

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE

ARBITRATION APPLICATION Nos.201 and 202 of 2024

COMMON ORDER:

Ms. Nisha Padmanabhan, learned counsel representing
Mr. N.Manohar, learned counsel for the applicants.

Mr. Nambi Krishna, learned counsel for the respondent.

2. These applications have been filed under Section 11(5) and (6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as "the Act"). The applicants seek 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 24.07.2019. Clause 23 thereof contains an arbitration clause and the same is extracted below for the facility of reference:

"23. In case of any dispute arises between the parties hereto touching these presents the matter shall be referred the arbitrators one chosen by each party and

in case of any difference of opinion between such arbitrators, they shall nominate a common umpire and their award shall be final and binding on the both the parties and the relevant provisions of the Arbitration Act shall apply.”

4. In a proceeding under Section 11(6) of the Arbitration Act, this Court has to satisfy itself whether underlying contract contains an arbitration agreement which provides for arbitration pertaining to disputes which have arisen between the parties. It is pertinent to note that the respondent has not disputed the execution of the Development Agreement-cum-General Power of Attorney dated 24.07.2019 which contains an arbitration clause. It is trite law that an arbitration clause which forms part of the contract shall be treated as an agreement independent of other terms of contract and the arbitration clause survives notwithstanding expiry of the agreement (see **Reva Electric Car Company Private Limited vs. Freen Mobil¹, A.Ayyasamy vs. A.Paramasivam² and Vidya Drolia vs. Durga Trading Corporation³**).

¹ (2012) 2 SCC 93

² (2016) 10 SCC 386

³ (2021) 2 SCC 1

5. In the instant case, the applicants invoked the arbitration clause and sent a notice under Section 21 of the Act dated 18.06.2024 to the respondent, but the respondent failed to respond to the aforesaid notice.

6. 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 24.07.2019.

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

8. In view of aforesaid submission and taking into account the fact that admittedly an agreement namely Development Agreement-cum-General Power of Attorney dated 24.07.2019 exists between the parties, which has an arbitration clause, Mr. V.Vara Prasad, Retired District Judge (resident of Flat No.103, Sai Sharan Residency, Opp. E-Seva, Vikasnagar, Dilsukhnagar, Hyderabad-500 060) 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. Thereupon, the sole arbitrator shall proceed with the arbitral proceedings in accordance with law.

9. Accordingly, the Arbitration Applications are 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

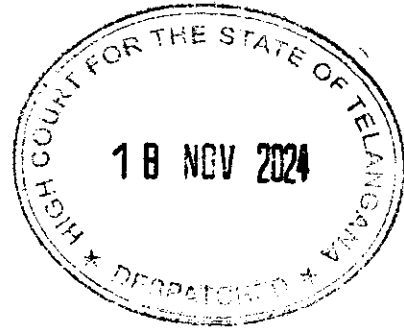
To,

1. Mr. V. Vara Prasad, Retired District Judge, (resident of Flat No. 103, Sai Sharan Residency, Opp. E-Seva, Vikasnagar, Dilsukhnagar, Hyderabad - 500060) (By Special messenger) (along with a copy of affidavit and material papers)
2. One CC to Sri N. Manohar, Advocate [OPUC]
3. One CC to Sri Nambi Krishna, Advocate [OPUC]
4. Two CD Copies

Njb/gh

HIGH COURT

DATED:08/11/2024



COMMON ORDER

ARBAPPL.Nos.201 & 202 of 2024

**ALLOWING BOTH THE ARBITRATION
APPLICATIONS**