

**HIGH COURT FOR THE STATE OF TELANGANA**

**MAIN CASE No: Arbitration Application No.301 of 2025**

**PROCEEDING SHEET**

| Sl. No. | Date       | ORDER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | OFFICE NOTE |
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| 3.      | 19.06.2026 | <p><b><u>HCJ (AKrS,J)</u></b></p> <p>Heard Mr. M. Sateesh, learned counsel appearing for the applicant and Mr. V.S.R.M.V. Prasad Sanaka, learned counsel appearing for the respondents.</p> <p>The parties have entered into a Development Agreement-cum-General Power of Attorney dated 07.09.2019. In respect of the disputes arose between them, the applicant has issued legal notice dated 24.03.2025 to the respondents, which has not been responded to. Subsequently, the applicant issued another legal notice dated 12.08.2025 invoking arbitration clause 16 for appointment of an arbitrator. Despite service of notice, no reply has been given by the respondents. Therefore, the applicant has approached this Court for appointment of an independent arbitrator under Section 11 (5) and (6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act').</p> <p>Respondents have entered appearance on notice and filed counter-affidavit.</p> <p>Learned counsel for the respondents submits that there is no dispute about existence of the arbitration clause in the Development Agreement-cum-General Power of Attorney dated 07.09.2019, but the applicant has made false and baseless allegations through notice dated 24.03.2025. As a matter of fact, the respondents constructed total 12 flats. As per the Development Agreements between the parties, the applicant and the respondents will share 50:50 of the flats. As per the sanctioned plan, each plot has a building sanction</p> |             |

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|  | <p>permission for stilt + 3 upper floors, each floor having two flats. The applicant has been allotted two flats as per the Supplementary Agreement dated 07.01.2021 and four flats as per another Supplementary Agreement dated 07.01.2021 in respect of Plot Nos.10, 20 and 27 in Survey Nos.63 and 66 of Hydernagar Village, Kukatpally Mandal, Medchal-Malkajgiri District. This fact has been suppressed by the applicant. There is no dispute in respect of para-3 of the application that the respondents undertook the construction in the name of Dr. Adiseshulu, Development Agreement-cum-General Power of Attorney (DAGPA) Holder and M/s. Sri Sadguru Constructions, represented by one K. Srinivas and agreed to share the constructed flats equally between the applicant and the respondents as per the terms of the agreement. He, therefore, submits that the applicant has not disclosed all relevant facts before this Court as to the Development Agreements and allotment of the flats in his favour in terms thereof by the respondents. He has, therefore, opposed the prayer for appointment of an independent Arbitrator.</p> <p>Upon hearing learned counsel for the parties and after taking into consideration all the facts and circumstances borne from record, this Court is of the considered opinion that the ingredients for invocation of the jurisdiction of this Court under Section 11 (5) and (6) of the Act of 1996 has been made out, since by the stand of the respondents themselves, it appears that there is a dispute in respect of the Development Agreement-cum-General Power of Attorney entered into between the parties in respect of which the applicant has invoked the arbitration clause 16 by serving notice dated 12.08.2025 upon the respondents, to which the respondents did not reply.</p> |  |
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|  |  | <p>As such, I propose to appoint Mr. K. Sudarshan, a former District Judge (Resident of H.No.8-7-97/85/P-II/74, Agriculture Colony, Hasthinapuram, Hyderabad-500079, Mobile No.9866415720), as an independent arbitrator to adjudicate the dispute between the parties.</p> <p>The proposed Arbitrator is requested to submit his consent and a declaration in terms of Section 12(1) read with Schedule VI of the Act.</p> <p>Registry is directed to communicate this order to the proposed Arbitrator.</p> <p>The matter be listed after three weeks with the response, if any, of the proposed Arbitrator.</p> <div style="text-align: right; margin-top: 20px;"> <hr style="width: 20%; margin: 0 auto;"/> <b>H CJ (AKrS,J)</b> </div> <p>CTL</p> |  |
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