
(2004) 02 AP CK 0071
In the Andhra Pradesh High Court
Case No : AA No. 34 of 2003

Bhagyanagar Metals Limited

APPELLANT

Vs

Bharath Sanchar Nigam Limited

RESPONDENT

Date of Decision : 27-02-2004

Acts Referred:

Arbitration and Conciliation Act, 1996 — Section 11, 11(11), 11(12), 11(4), 11(5)
Civil Procedure Code, 1908 (CPC) — Section 20

Citation : (2004) 3 ALD 328 : (2004) 4 ALT 104 : (2004) 2 ARBLR 456 : (2005) 1 CivCC 255 : (2004) 52 SCL 665

Hon'ble Judges : N.V. Ramana, J

Bench : Single Bench

Advocate : Ravi S, for the Appellant; T. Surya Karan Reddy, SC for Central Government, for the Respondent

Final Decision : Allowed

Judgement

N.V. Ramana, J.—The applicant, namely M/s. Bhagyanagar Metals Limited, which is engaged in the business of manufacture of various sizes of Polythene Insulated Jelly Filled Cables (PIJF Cables), has filed this application under Sections 11(5) and (6) of the Arbitration and Conciliation Act, 1996 (for short "the Act") read with the Scheme for Appointment of Arbitrators, 1996, praying the Court to appoint an Arbitrator for resolution of disputes between them and the respondent, namely Bharat Sanchar Nigam Limited (BSNL).

2. The BSNL Headquarters at New Delhi floated Tenders for supply of various sizes of Polythene Insulated Jelly Filled Cables (PIJF Cables). The applicant who submitted its Tender was found to be one of the highest bidders. Thereafter, in pursuance of the authorization given by the BSNL Headquarters, the Chief General Manager, Madhya Pradesh Telecom Circle, placed Purchase Orders for supply of various sizes of PIJF Cables, which the applicant supplied. It is the case of the applicant that though it made the entire supplies, the respondent has withheld 0.3% of the invoice value on the ground that transit insurance payment

and proof thereof had not been given along with the bills. The applicant entered into correspondence with the respondent for release of the withheld amount, and ultimately on 15-4-2003 the applicant invoking the arbitration clause contained in the Tender Document, issued notice to the respondent calling upon them to appoint an Arbitrator. As the respondent failed to appoint the Arbitrator, the applicant filed this application praying to appoint an Arbitrator for resolution of the disputes.

3. Heard the learned Counsel for the applicant and the learned Standing Counsel for the Central Government for the respondent.

4. The learned Counsel for the applicant submitted that the applicant supplied the PIJF Cables as per the Purchase Orders placed by the respondent. However, certain disputes arose between the applicant and the respondent when the respondent withheld 0.3% of the invoice bill raised by the applicant on the ground that transit insurance payment and proof thereof had not been given along with the bills. The learned Counsel contends that though the applicant invoking Clause 20 of the Tender Document which provides for resolution of disputes through arbitration, got issued notice to the respondent calling upon them to appoint an Arbitrator and refer the disputes raised by him to the Arbitrator so appointed, the respondent in spite of receiving the said notice, has not appointed the Arbitrator so far.

5. The Assistant General Manager (Legal) filed counter-affidavit on behalf of the respondent. The learned Senior Standing Counsel for the Central Government representing the respondent reiterated the counter-affidavit averments. He submitted that having regard to Clause 30 of the Tender Document, the Courts at Delhi/New Delhi alone will have jurisdiction to entertain any dispute or claim arising out of this Tender till issue of authorization letters to Circles for placement of Purchase Orders. Inasmuch as subsequent to the issuance of authorization, the Chief General Manager, Madhya Pradesh Telecom Circle, Bhopal, had placed the Purchase Orders on the applicant, the Courts at Bhopal alone have jurisdiction. At any rate, he submits that this Court has no jurisdiction to entertain the application filed by the applicant for appointment of Arbitrator as no cause of action arose in respect of the Tender within the jurisdiction of this High Court. He submitted that the request made by the applicant for appointment of Arbitrator was forwarded to BSNL Headquarters, New Delhi, and the same is pending consideration. He submits that as per Clause 20 of the Tender Document, the CMD, BSNL Headquarters, New Delhi alone is the authority competent to appoint an Arbitrator. It is contended by the respondent that the entitlement of the applicant to the amount withheld by the respondent towards tax is pending before the High Court, and if the respondent succeeds in its case, the same will be released in favour of the applicant. He, thus prayed for dismissal of the application.

6. The learned Counsel for the applicant refuting the stand taken by the respondent that this Court has no jurisdiction to entertain the application for

appointment of Arbitrator submitted that pursuant to grant of authorization by the BSNL Headquarters at New Delhi, the communication with regard to grant of Letter of Intents and placing of Purchase Orders in favour of the applicant was received at the registered office of the applicant at Secunderabad, and that apart, the Tender Document envisaged manufacture of PIJF Cables and provided for their inspection by the officials of the respondent at the premises of the applicant at Secunderabad, and inasmuch as, substantial part of cause of action in respect of the Tender had arisen at Secunderabad, he submits that this Court has jurisdiction to entertain the application filed by him for appointment of Arbitrator. The learned Counsel for the applicant in support of his submission that this Court has jurisdiction to entertain the arbitration application, placed reliance on the judgment of a learned Single Judge of this Court in W.P. No. 26807 of 1997, dated 21-2-2003.

7. A reading of the averments made by the respondent in the counter-affidavit would make it apparent that there are disputes between the applicant and the respondent with regard to deduction of certain amounts from the invoices of the applicant towards transit insurance payment. The respondent does not dispute the fact that there is an arbitration clause in Clause 20 of the Tender Document providing for resolution of disputes arising out of the Tender through the process of arbitration and that the notice issued by the applicant invoking the said arbitration clause, calling upon the respondent to appoint an Arbitrator, and that the same having been received was forwarded to the CMD, BSNL, New Delhi, where the matter appears to be still pending. The respondent, however, contends that having regard to Clause 20 of the Tender Document, the authority competent to appoint an Arbitrator is the CMD, BSNL, New Delhi.

8. Though the respondent does not dispute the aforementioned facts, he, however, contends that having regard to Clause 30 of the Tender Document, the Courts at Delhi/New Delhi alone have jurisdiction to entertain disputes arising out of the Tender till issuance of Purchase Orders by the relevant Circle and inasmuch as after issuance of letters of authorization, the Purchase Orders on the applicant were placed from the office of the CGM, Madhya Pradesh Telecom Circle, Bhopal, this Court has no jurisdiction to entertain the application. On the other hand, it is the specific case of the applicant that pursuant to grant of authorization by the BSNL Headquarters at New Delhi, the communication with regard to grant of Letter of Intents and placing of Purchase Orders in favour of the applicant was received at the registered office of the applicant at Secunderabad, and that apart, the Tender Document envisaged manufacture of PIJF Cables and provided for their inspection by the officials of the respondent at the premises of the applicant at Secunderabad, and inasmuch as, substantial part of cause of action in respect of the Tender had taken place at Secunderabad, the applicant submits that this Court has jurisdiction to entertain the application filed by him for appointment of Arbitrator.

9. In the backdrop of the above admitted facts, the only question that now arises

for consideration in this application is whether in the given facts situation, where the cause of action appears to be arising within the jurisdiction of more than one High Court, can this Court claim to have concurrent jurisdiction to entertain an application filed by the aggrieved party for appointment of an Arbitrator?

10. Before proceeding to consider the aforementioned question, some of the relevant provisions of the Act, which deal with the appointment of Arbitrators may be analyzed. Section 11 of the Act reads:

11. Appointment of Arbitrators :--(1) A person of any nationality may be an Arbitrator, unless otherwise agreed by the parties.

(2) Subject to Sub-section (6), the parties are free to agree on a procedure for appointing the arbitrator or arbitrators.

(3) Failing any agreement referred to in Sub-section (2), in an arbitration with three Arbitrators, each party shall appoint one Arbitrator, and the two appointed Arbitrators shall appoint the third Arbitrator who shall act as the Presiding Arbitrator.

(4) If the appointment procedure in Sub-section (3) applies and--

(a) a party fails to appoint an arbitrator within thirty days from the receipt of a request to do so from the other party; or

(b) the two appointed arbitrators fail to agree on the third arbitrator within thirty days from the date of their appointment,

the appointment shall be made, upon request of a party, by the Chief Justice or any person or institution designated by him.

(5) Failing any agreement referred to in Sub-section (2), in an arbitration with a sole arbitrator, if the parties fail to agree on the arbitrator within thirty days from receipt of a request by one party from the other party to so agree the appointment shall be made, upon request of a party, by the Chief Justice or any person or institution designated by him.

(6) Where, under an appointment procedure agreed upon by the parties--

(a) a party fails to act as required under that procedure; or

(b) the parties, or the two appointed arbitrators, fail to reach an agreement expected of them under that procedure; or

(c) a person, including an institution, fails to perform any function entrusted to him or it under that procedure,

a party may request the Chief Justice or any person or institution designated by him to take the necessary measure, unless the agreement on the appointment procedure provides other means for securing the appointment.

(7) A decision on a matter entrusted by Sub-section (4) or Sub-section (5) or

Sub-section (6) to the Chief Justice or the person or institution designated by him is final.

(8) The Chief Justice or the person or institution designated by him, in appointing an Arbitrator, shall have due regard to--

(a) any qualifications required of the Arbitrator by the agreement of the parties; and

(b) other considerations as are likely to secure the appointment of an independent and impartial Arbitrator.

(9) In the case of appointment of sole or third Arbitrator in an international commercial arbitration, the Chief Justice of India or the person or institution designated by him may appoint an arbitrator of a nationality other than the nationalities of the parties where the parties belong to different nationalities.

(10) The Chief Justice may make such scheme as he may deem appropriate for dealing with matters entrusted by Sub-section (4) or Sub-section (5) or Sub-section (6) to him.

(11) Where more than one request has been made under Sub-section (4) or Sub-section (5) or Sub-section (6) to the Chief Justices of different High Courts or their designates, the Chief Justice or his designate to whom the request has been first made under the relevant sub-section shall alone be competent to decide on the request.

(12)(a) Where the matters referred to in Sub-sections (4), (5), (6), (7), (8) and (10) arise in an international commercial arbitration, the reference to "Chief Justice" in those sub-sections shall be construed as a reference to the "Chief Justice of India".

(b) Where the matters referred to in Sub-sections (4), (5), (6), (7), (8) and 10 arise in any other arbitration, the reference to "Chief Justice" in those sub-sections shall be construed as a reference to the Chief Justice of the High Court within whose local limits the Principal Civil Court referred to in Clause (e) of Sub-section (1) of Section 2 is situate and, where the High Court itself is the Court referred to in that clause, to the Chief Justice of that High Court.

11. Be it noted that the applicant had moved this application invoking the provisions of Section 11(5) and (6) of the Act. Sub-sections (1) to (3) of Section 11 deal with the appointment procedure. While Sub-sections (4) to (6) of Section 11, which confer jurisdiction on the Courts to appoint an Arbitrator, come into play when the parties fail to agree on the appointment of an Arbitrator as required by the appointment procedure. Section 11(7) gives finality to decision of the Chief Justice or the person or institution designated by him in respect of matters contained in Sub-sections (4) or (5) or (6) Sub-section (8) lays down that in the appointment of Arbitrator, the Chief Justice or the person or institution designated by him, shall have regard to the qualifications and other

considerations mentioned in Clauses (a) and (b) thereof. Section 11(9) deals with appointment of Arbitrator in matters relating to international commercial arbitration and Sub-section (10) of Section 11 confers power upon the Chief Justice to frame a scheme for appointment of arbitrators. Under Sub-section (11) of Section 11 where more than one request for appointment of Arbitrator has been made under Sub-section (4) or (5) or (6) to the Chief Justice of different High Courts or their designates, the Chief Justice or his designate to whom the request has been first made under the relevant sub-section shall alone be competent to decide on the request. While Sub-section (12) of Section 11, provides that where the matters referred to in Sub-sections (5), (6), (7), (8) and (10) arise in any other arbitration, the reference to "Chief Justice" in those sub-sections shall be construed as a reference to the Chief Justice of the High Court within whose local limits the Principal Civil Court referred to in Clause (e) of Sub-section (1) of Section 2 is situate and, where the High Court itself is the Court referred to in that clause, to the Chief Justice of that High Court. Section 2(1)(e) of the Act defines "Court" to mean the Principal Civil Court of original jurisdiction in a district, and includes the High Court in exercise of its ordinary original civil jurisdiction, having jurisdiction to decide the questions forming the subject-matter of the arbitration if the same had been the subject-matter of a suit, but does not include any civil Court of a grade inferior to such Principal Civil Court, or any Court of Small Causes.

12. As can be seen from Section 11 of the Act, it envisages the appointment of an Arbitrator in the situations covered by Sub-sections (4), (5) and (6) by the Chief Justice. In respect of international commercial arbitration, an Arbitrator can be appointed by the Chief Justice of India. Thus, the expression "Chief Justice" has been used in Sub-sections (4), (5), (6), (7), (8) and (10) and the expression "Chief Justice of India" has been used in Sub-section (9). Under Sub-section (12), it has been elucidated that the reference to the expression "Chief Justice" used in Sub-sections (4) to (8) and (10) shall be construed as a reference to the Chief Justice of India in respect of international commercial arbitration and such expression shall be construed as a reference to the Chief Justice of the High Court within whose local limits the Principal Civil Court referred to in Clause (e) of Sub-section (1) of Section 2 is situate, in respect of any other arbitration. It is appropriate here to consider the definition of "Court" as enjoined under Clause (e) of Sub-section (1) of Section 2 which reads as under:

"Court" means the Principal Civil Court of original jurisdiction in a district, and includes the High Court in exercise of its ordinary original civil jurisdiction, having jurisdiction to decide the questions forming the subject-matter of the arbitration if the same had been the subject-matter of a suit, but does not include any Civil Court of a grade inferior to such Principal Civil Court, or any Court of Small Causes,

13. It is obvious, therefore, that in all cases where international commercial arbitration arise, the expression "Chief Justice" shall be construed as Chief

Justice of India and in all other cases of arbitration, the expression "Chief Justice" shall be construed as Chief Justice of the High Court within whose local limits the Principal Civil Court referred to in Clause (e) of Sub-section (1) of Section 2 is situate. According to Clause (e) of Sub-section (1) of Section 2 the Principal Civil Court of original jurisdiction is the District Court. Clause (b) of Sub-section (12) of Section 11, therefore, gains significance. The expression "Chief Justice" used in Sub-sections (4) to (8) and (10) shall have to be construed by reading those provisions along with Clause (b) of Sub-section (12). A combined reading of Sub-section (12) of Section 11 and Section 2(1)(e) makes it clear that the Act has envisaged the territorial jurisdictional limits of the Chief Justice who is empowered to appoint an Arbitrator. If the Court, as defined u/s 2(1)(e) of the Act has jurisdiction to decide the questions forming the subject-matter of arbitration if the same had been the subject-matter of a suit and if that Court is situate within the local limits of a particular Chief Justice of High Court, that Chief Justice has territorial jurisdiction to entertain the application seeking appointment of an Arbitrator. If for any reason the jurisdiction falls within the local limits of more than one High Court, the Chief Justice of the High Court to whom the request has been made first shall alone be competent. Thus, the provisions of Sub-sections (11) and (12) of Section 11 and Section 2(1)(e) of the Act shall have to be read together and harmonized.

14. This apart, Section 20(c) of the Code of Civil Procedure, 1908 requires every suit to be instituted in a Court within the local limits of whose jurisdiction the cause of action, wholly or in part arises. It, therefore, becomes clear that if a part of cause of action which forms the subject-matter of arbitration had arisen within the State of Andhra Pradesh, an application for appointment of Arbitrator filed before the Chief Justice of the High Court of Andhra Pradesh or his designate, is maintainable,

15. Adverting to the question involved in the application, it would be appropriate to refer to Clause 30 of the Tender Document, upon which the respondent placed heavy reliance to contend that not this Court and that only the Courts at Delhi/New Delhi are competent to entertain any dispute or claim arising between the parties out of this Tender, reads thus:

Court jurisdiction: The contract shall be governed by Indian laws and Courts at Delhi/New Delhi will have jurisdiction to entertain any dispute or claim arising out of this tender till issue of authorization letters to Circles for placement of Purchase Orders (P.Os.).

16. A bare reading of the above clause would make it clear that the Courts at Delhi/New Delhi will have jurisdiction to entertain any dispute or claim arising out of the Tender only till the issuance of authorization letters to Circles for placement of Purchase Orders. The aforementioned clause is silent as regards the conferment of jurisdiction on the Courts at Delhi/New Delhi with respect to the disputes that may arise after issuance of authorization letters to Circles for placement of Purchase Orders. The jurisdiction of the Courts at Delhi/New Delhi

to entertain any dispute or claim arising out of the Tender, should terminate immediately after the issuance of authorization letters to Circles for placement of Purchase Orders and not extend beyond that. The respondent does not dispute the fact that the disputes which the applicant sought to raise for reference to the Arbitrator have arisen subsequent to the placing of the Purchase Orders and after receipt of the supplies made in accordance therewith. Therefore, reliance placed by the respondent on Clause 30 of the Tender Document in support of his contention that this Court has no jurisdiction to entertain the disputes arising out of the Tender and only the Courts at Delhi/New Delhi have jurisdiction to entertain, does not support him in any manner.

17. It has now to be seen whether this Court has concurrent jurisdiction to entertain the application filed by the applicant for appointment of an Arbitrator. It is the contention of the respondent that subsequent to the issuance of authorization, the Purchase Orders were placed on the applicant by the CGM, Madhya Pradesh Telecom Circle, Bhopal, and while it is the contention of the applicant that the entire communication with respect to grant of Letter of Intents and placement of Purchase Orders was received by them at their registered office at Secunderabad and further the Tender Document provided for manufacture of the PIJF Cables and their inspection thereof at the premises of the applicant, which is located at Secunderabad. The disputes raised by the applicant relate to the period after the issuance of authorization letters to Circles for placement of Purchase Orders. From the rival pleas, it is clear that though the Purchase Orders on the applicant were made from the office of the CGM, Madhya Pradesh Telecom Circle, Bhopal, they in fact, were received at Secunderabad, and most of the communication with respect to grant of Letter of Intents and placing of Purchase Orders took place from Secunderabad, and this apart, the Tender Document provided for manufacture of PIJF Cables and inspection thereof by the officials of the respondent at Secunderabad. Thus, the cause of action appears to have arisen within the jurisdiction of the Courts both in Madhya Pradesh and Andhra Pradesh. Though the Arbitration and Conciliation Act, 1996 does not provide as to which Court should be approached for appointment of an Arbitrator when the cause of action arises within the jurisdiction of more than one High Court, like in the instant case where it has arisen in Madhya Pradesh and Andhra Pradesh, it should be noticed whether the applicant was justified in invoking the concurrent jurisdiction of this Court for appointment of an Arbitrator u/s 11(5) and (6) of the Arbitration and Conciliation Act, 1996.

18. Section 11(11) of the Act provides that where more than one request has been made under Sub-section (4) or (5) or (6) to the Chief Justices of different High Courts or their designates, the Chief Justice or his designate to whom the request has been first made under the relevant sub-section shall alone be competent to decide on the request. It is not disputed before the Court, that the applicant first knocked the doors of this Court making request for appointment of Arbitrator and no request was made either at the Courts at Delhi/New Delhi or Bhopal, and having regard to the provisions of Section 11(11) of the Act read

with Section 20(c) of the Code of Civil Procedure, 1908, as part of a cause of action, had arisen within the State of Andhra Pradesh, this Court would have jurisdiction to appoint an Arbitrator. Therefore, this Court would be well within its jurisdiction to entertain the application for appointment of an Arbitrator for resolution of the disputes between the parties through the process of arbitration. A learned Single Judge of this Court while negating similar contention raised by this very same respondent arising out of similar Tender as to jurisdiction of this Court to entertain writ petition when none of the respondents had their seat of operations within the territorial jurisdiction of this Court, in W.P. No. 26807 of 1997, dated 21-2-2003, held thus:

Clause (2) of Article 226 of the Constitution indicates that the power conferred on a High Court under Clause (1) to issue directions, orders or writs to any Government, authority or persons may also be exercised by any High Court exercising jurisdiction in relation to the territory within which the "cause of action", wholly or in part, arises for the exercise of such power, notwithstanding that the seat of such Government or authority or the residence of such person is not within those territories.

In the light of the extent of jurisdiction of this Court as defined in Clause (2) of Article 226 of the Constitution the fact that none of the respondents has their seat of operations within the territorial jurisdiction of this Court does not, ipso facto, posit a conclusion that this Court has no jurisdiction. If the "cause of action" wholly or partly had arisen within the territory over which this Court exercises jurisdiction, then and in such a case, this Court does have jurisdiction to adjudicate.

The expression "cause of action" is well recognized and means that bundle of facts that the petitioner must prove, if traversed, to entitle him to a judgment in his favour by the Court. It is equally well recognized that a "cause of action" does not depend upon the defence that may be set up by a respondent nor upon the character of the relief sought. It depends exclusively on the grounds set forth in the petition as a "cause of action", on the platform upon which the petitioner calls upon the Court to arrive at a conclusion in his favour. In determining the challenge to territorial jurisdiction the Court must therefore take all the facts pleaded in support of the "cause of action" into consideration without embarking upon an enquiry as to the correctness or otherwise of those facts. Put otherwise, the question whether the High Court has territorial jurisdiction to entertain a writ petition must be considered on the basis of the averments made in the writ petition, the truth of those averments being immaterial.

Section III of the notice inviting tenders sets out the "General (Commercial) Conditions of Contract" and forms part of the agreement between the parties. Clause 5 in Section III sets out the modalities of inspection and tests and empowers the purchaser or his representative to inspect and test the goods as per the prescribed test schedule for their conformity to the specifications and further stipulates that the purchaser, when it decides to conduct such tests on

the premises of the supplier or his subcontractor, all reasonable facilities and assistance such as testing instruments and other test gadgets including access to drawing and production data shall be furnished to the inspector by the supplier or its sub-contractor, as the case may be and at no charge to the purchaser. In the context of the agreement between the petitioner and the respondents the manufacture and inspection of the goods is at Hyderabad. This apart, the LOI dated 22.1.1997, the Purchase Order of the 2nd respondent 5.3.1997 and the impugned amendment order issued by the 2nd respondent dated 5.5.1997, have also been received at Hyderabad by the petitioner.

In the considered view of this Court these facts alleged by the petitioner, not denied by the respondents and apparent from the record constitute arisal of a part of the "cause of action" within the jurisdiction of this Court This Court, therefore, does have the jurisdiction to consider the issues in this writ petition.

19. In the instant case, as pleaded by the applicant and not disputed by the respondent the communication with respect to grant of Letter of Intents and placing of Purchase Orders were received at the registered office of the applicant at Secunderabad and even the manufacture of PIJF Cables and their inspection thereof by the officials of the respondent was made at the premises of the applicant at Secunderabad, and as such, part of the "cause of action" has arisen within the jurisdiction of this Court, and therefore, it cannot be said that this Court has no jurisdiction to entertain the arbitration application. Therefore, the contention of the respondent that this Court has no jurisdiction to entertain the arbitration application has to fail, and the same is accordingly rejected.

20. In an application filed u/s 11(5) and (6) of the Arbitration and Conciliation Act, 1996, what is required to be seen is that if the parties fail to agree on the appointment of an Arbitrator within thirty days from receipt of a request by one party from the other party, or the party fails to act as required under the procedure agreed upon by the parties, then a parry may request the Chief Justice or any person or institution designated by him to take the necessary measure, unless the agreement on the appointment procedure provides other means for securing the appointment. Though Clause 20 of the Tender Document provides for arbitration and the CMD, BSNL is the authority competent to appoint an Arbitrator, the fact remains that in spite of the applicant invoking the said arbitration clause, the respondent having received the notice and even though the period of 30 days contemplated u/s 11(4) and (5) for appointment of Arbitrator has expired, the respondent has not appointed the Arbitrator, and therefore, it becomes obligatory upon this Court to appoint an Arbitrator when such a request in that regard is made by a party.

21. The contention of the respondent that inasmuch as the entitlement of the applicant to the amount withheld by the respondent towards tax is subject-matter of dispute before the High Court, no Arbitrator can be appointed for resolution of such a dispute, cannot be accepted. Such a question being a contentious issue requiring reading of the various clauses in the Tender

Document, it is not open for this Court to go into the same, and more so when the Chief Justice or his nominee while exercising jurisdiction u/s 11 of the Arbitration and Conciliation Act, 1996 does not make an adjudicatory order, but only makes an order appointing an Arbitrator when a party approaches the Court complaining that the other party in spite of receiving the notice and even after expiry of 30 days mentioned in Section 11(4) and (5) of the Arbitration and Conciliation Act, 1996, has failed to appoint an Arbitrator.

22. In the result, and for the reasons foregoing, the Arbitration Application is allowed, and Dr. P.C. Rao, Road No. 12, Banjara Hills, Hyderabad, is appointed as Arbitrator for resolution of the disputes between the parties. The respondents are directed to refer the disputes raised by the applicant forthwith to the Arbitrator appointed by this Court. The parties are at liberty to raise all the contentious issues before the Arbitrator. The Arbitrator is at liberty to fix his fee. No costs.