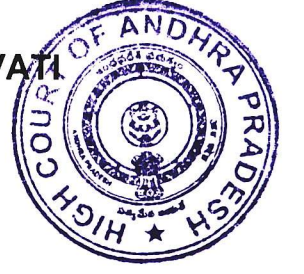


IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

THURSDAY, THE TWENTIETH DAY OF FEBRUARY  
TWO THOUSAND AND TWENTY FIVE



**PRESENT**

**HON'BLE SRI JUSTICE DHIRAJ SINGH THAKUR, THE CHIEF JUSTICE**

**ARBITRATION APPLICATION No.69 of 2023**

**Between:**

M/s Dataevolve Solutions Pvt Limited, (Formerly, Dataevolve OPC Pvt.Ltd.) Plot No.62, 1<sup>st</sup> Floor, Hitec City-JNTU Road, KPHB 7<sup>th</sup> Phase, Kukatpally, Hyderabad, Telangana State - 500 084. Rep.by its Managing Director Avinash Kommireddi, S/o.K.V.S.D Kamaraju, Hindu, Aged about 32 years, R/o. Flat No.407, Pegasus-B, Meenakshi Sky Lounge Hitex Road, Opp. Khanampet Masjid, Kothaguda K.V Ranga Reddy District, Telangana State - 500 084.

**...Applicant**

**AND**

The State of Andhra Pradesh, Rep.by Director General of Police, O/o.the Director General of Police, Andhra Pradesh, A.P D.G.P (Police) Head Quarters, Mangalagiri, Guntur District, Andhra Pradesh - 522 503.

**...Respondent**

Application filed under Section 11 (5) & (6) of the Arbitration and Conciliation Act, 1996 R/w para (3)(i)(c) of scheme for Appointment of Arbitrators, 2006 for the aforesaid reasons stated in the accompanying affidavit the applicant therefore prays that this Honourable Court may be pleased to appoint Sri Palaparthi Prabhakar, Retired District Judge, Guntur, or any practicing advocate from mediation and arbitration committee, Legala Services Authority, High Court of AP having Tax laws Degree extensive knowledge in accounting, book keeping and taxation matters, as an arbitrator

in terms of the Arbitration Clause in the Tender No.Rc.No.96/H4/2018-e-Challan for adjudication of the claims and disputes between the Applicant and Respondent.

**Counsel for the Petitioner : Mr. Gadipudi Venkateswarlu appearing for  
M/s. Leo Law Associates LLP**

**Counsel for the Respondent : GP for Arbitration**

**The Court made the following:**

APHC010606282023



IN THE HIGH COURT OF ANDHRA PRADESH  
AT AMARAVATI

Bench  
Sr.No:- 93  
[3441]

ARBITRATION APPLICATION NO: 69 of 2023

M/s. Dataevolve Solutions Pvt. Limited ...Applicant

Vs.

The State of Andhra Pradesh ...Respondent

\*\*\*\*\*

Advocate for Applicant: Mr. Gadipudi Venkateswarlu appearing  
for Leo Law Associates LLP

Advocate for Respondent: None

**CORAM : THE CHIEF JUSTICE DHIRAJ SINGH THAKUR**

**DATE : 20-2-2025**

**P C :**

This is an application filed under Sections 11(5) and 11(6) of the Arbitration and Conciliation Act, 1996, seeking the appointment of an arbitrator for purposes of adjudicating the disputes arising out of and in connection with Work Order, dated 17.12.2018.

2. The petitioner claims that it was declared as a successful bidder by the respondent for supply and maintenance of software solutions for e-challan system in all the District Police Units. Consequently, a Work Order, dated 17.12.2018, was issued in favour of the petitioner for a period of three years. The period prescribed in the Work Order came to an end, according to the

petitioner, on 31.12.2021. However, it is stated that the respondent orally instructed the petitioner company to continue to provide the services on adhoc basis on a 50:50 revenue sharing mode, till alternate arrangements were made or another tender for maintenance of e-Challan system was floated.

3. Based upon the instructions so received, the petitioner claims that it continued to render the services and subsequently, sought reconciliation of the accounts. It is stated that the respondent arbitrarily sought an amount of Rs.36,53,00,000/- from the petitioner without considering the amount payable to the petitioner company and without rendering any proper justification for such a demand. The matter, having not been resolved amicably, the present petition has been filed to have the disputes settled through arbitration in accordance with Clause 20 of the General Conditions of Contract, which envisages as under:

**"20. ARBITRATION**

*Any dispute or difference whatsoever arising between the parties to this Contract out of or relating to the construction, meaning, scope, operation or effect of this Contract or the validity or the breach there of shall be referred to a sole Arbitrator to be appointed by A.P. Police only. If the Implementation agency cannot agree on the appointment of the Arbitrator within a period of one month from the notification by one party to the other of existence of such dispute, then the ultimate Arbitrator shall be DGP, A.P. only. The provisions of the Arbitration and Conciliation Act 1996 will be applicable and the award made there under shall be final and binding upon the parties hereto, subject to legal remedies available under the*

*law. Such differences shall be deemed to be a submission to arbitration under the Indian Arbitration and Conciliation Act 1996, or of any modifications, Rules or re-enactments thereof. The Arbitration proceedings will be held at Vijayawada, Andhra Pradesh State, India. Any legal dispute will come under Andhra Pradesh State jurisdiction at Vijayawada only."*

4. The respondent in their counter-affidavit do not deny that the petitioner even after the expiry of the contract period had been asked to continue to provide the services, on adhoc basis, on 50:50 revenue sharing mode, however, it is stated that the petitioner as per the tender document was to transfer the source code to the A.P. Police, at the end of the contract, without any additional cost, which it failed to do and therefore, the respondent was constrained to continue with the same e-challan application with the petitioner's firm.

It is stated that while the respondent was forced to reconciliation of the accounts, yet the petitioner did not make any attempt to depute their point of contact to the police headquarters for such reconciliation.

5. Admittedly, there does exist a dispute which is required to be settled through the mechanism of arbitration, in accordance with Clause 20 of the General Conditions of Contract.

6. Be that as it may, the present application is allowed. Justice A. V. Sessa Sai, former Judge of the High Court of Andhra Pradesh, is appointed as an arbitrator, who shall enter upon the reference and adjudicate upon the

disputes. The parties shall be free to file detailed claims and counter-claims before the learned Arbitrator, who shall render the Award within the prescribed statutory period. The learned Arbitrator shall also be entitled to claim the fee in consultation with the parties, keeping in view the provisions of the Fourth Schedule of the Arbitration and Conciliation Act, 1996. There shall be no order as to costs.

Pending miscellaneous applications, if any, in this petition, shall stand closed.

A copy of this order be communicated to the learned Arbitrator on the address mentioned herein below:

Justice A.V. Sesha Sai,  
Villa No:C-31, Rain Tree Villas,  
Opp: Nagarjuna University Road, Namburu,  
Guntur District, Andhra Pradesh – 522 510  
Mobile No: 8331010693

Sd/- E KAMESWARA RAO  
JOINT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

1. Sri Justice A.V.Sesha Sai, former Judge of the High Court of Andhra Pradesh, R/o.Villa No.C-31, Rain Tree Villas, Opp. Nagarjuna University Road, Namburu, Guntur District, Andhra Pradesh-522510. Mobile No.8331010693. **(along with a copy of Arbitration Application Affidavit and all material papers filed along with Arbitration Application)**
2. The Registrar (Judicial), High Court of Andhra Pradesh, Amaravathi.
3. One CC to M/s. Leo Law Associates LLP, Advocate [OPUC]
4. Two CCs to GP for Arbitration, High Court of Andhra Pradesh. [OUT]
5. The State of Andhra Pradesh, Rep.by Director General of Police, O/o.the Director General of Police, Andhra Pradesh, A.P D.G.P (Police) Head Quarters, Mangalagiri, Guntur District, Andhra Pradesh - 522 503.
6. The Section Officer, OS Section, High Court of Andhra Pradesh at Amaravathi.
7. **Three CD Copies**

TK

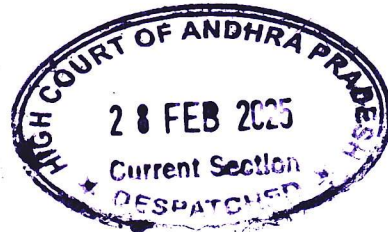
vna

**HIGH COURT**

**DATED:20/02/2025**

**ORDER**

**ARBAPPL.No.69 of 2023**



**ALLOWING THE ARBITRATION APPLICATION**