

IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

Arb. Case No.594 of 2024

Date of Decision: 11.09.2026

Divisional Manager HPSFDC Ltd.

....Petitioner

Versus

**Devi Sukh (through his LR's Devi Singh)
and others**

....Respondents

Coram

The Hon'ble Mr. Justice G.S. Sandhawalia, Chief Justice

Whether approved for reporting?¹

For the Petitioner : Ms. Kiran Dhiman, Advocate.

For the Respondents : Mr. Nitin Rishi and Mr. Dixit
Sahotra, Advocates.

G.S. Sandhawalia, Chief Justice (Oral).

The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking appointment of an arbitrator in accordance with clause 27 of the agreement deed dated 01.12.2006 (**Annexure P-I/T**).

2. It is the case of the Corporation that late Sh. Devi Sukh, a Contractor, had entered into an agreement deed dated 01.12.2006 (**Annexure P-I/T**) with the petitioner-Corporation. It is thus submitted that, as per clause 27 of the agreement deed,

¹ Whether reporters of Local Papers may be allowed to see the judgment?

the Director (North), Himachal Pradesh State Forest Development Corporation Limited, Dharamshala, District Kangra, was initially appointed as an Arbitrator, and arbitration proceedings were initiated.

3. Reference is made to the letter dated 22.11.2023 **(Annexure P-6)**, since the appointment of the employee was considered ineligible in view of the lack of expressed consent of the parties, and there was a denial by the legal heirs to sign the contract letter, resultantly, the present petition has been filed.

4. In the reply filed by the respondents, various pleas have been taken, that the Contractor had expired on 22.09.2012 and thereafter the cancellation of the contract was done by the Divisional Manager vide office order dated 14.12.2012 **(Annexure P-4)**. Furthermore, the costs sought to be recovered were based on the terms and conditions of the contract.

5. Vide order dated 27.02.2026, the Court had noted that the proceedings had been pending before the earlier Arbitrator, and the counsel for the petitioner had requested for time to place the relevant documents on record to show the stage of the proceedings before the department/Arbitrator and the stand of the respondent.

6. Counsel for the petitioner has pointed out that the proceedings were at an advanced stage, the statements of the witnesses had been recorded, and the hearing was ongoing in Kullu, Himachal Pradesh.

7. Counsel for the respondents argued the issue on merits and submitted that the respondents are not in a position to defend the proceedings at any other place except Kullu, Himachal Pradesh.

8. Keeping in view the fact that the matter is already at an advanced stage, this Court is of the considered opinion that the proceedings had already been commenced and should proceed further. Accordingly, Hon'ble Mr. Justice Satyen Vaidya, a former Judge of this High Court, stationed at Mandi, Himachal Pradesh, would be an appropriate Arbitrator for this case, as Kullu District is closest to District Mandi, Himachal Pradesh.

9. Resultantly, the application is allowed and Hon'ble Mr. Justice Satyen Vaidya, former Judge of this High Court (Mobile No.98160-08393) is appointed as an Arbitrator to adjudicate the dispute between the parties. After his disclosure in writing is obtained in terms of Section 11(8) of the Act and only after receipt thereof, his appointment, as an Arbitrator, shall come into force.

10. On his giving consent to arbitrate the dispute between the parties as an Arbitrator, Hon'ble Mr. Justice Satyen Vaidya, former Judge, shall enter into reference, and shall pass an award in accordance with law.

11. Copy of this order be furnished to the learned counsel for the parties and also to the learned Arbitrator. The learned Arbitrator, so appointed, shall be entitled to fee as per stipulation contained in 4th Schedule appended to the Arbitration and Conciliation Act, 1996.

12. Accordingly, the application is disposed of alongwith pending miscellaneous application(s), if any.

(G.S. Sandhawalia)
Chief Justice

11th September, 2026
(Munish Thakur)