

In the High Court of Punjab and Haryana, at Chandigarh

1.

F.A.O. No. 881 of 2007

M/s K.C. Industries Jalalabad(W)

...Appellant

Versus

Punjab State Civil Supplies Corporation Limited and Another

...Respondents

AND

2.

F.A.O. No. 2961 of 2006

M/s Ram Nath & Sons

...Appellant

Versus

The Punjab State Co-operative Supply and Marketing Federation Limited
and Another

...Respondents

Date of Decision: 23.12.2015

CORAM: Hon'ble Mr. Justice Amit Rawal.

1. Whether reporters of local newspapers may be allowed to see judgment?
2. To be referred to reporters or not?
3. Whether the judgment should be reported in the Digest?

Present: Mr. Siddhant Kant, Advocate
for the appellant (In FAO-881-2007).

Mr. Atul Goyal, Advocate
for Mr. Parvesh Chugh, Advocate
for the appellant (In FAO-2961-2006).

Mr. Deepak Sabharwal, Advocate
for the respondents (In FAO-881-2007).

Mr. Aman Chaudhary, Advocate
for the respondent (In FAO-2961-2006).

Amit Rawal, J.(Oral)

This order of mine shall dispose of two appeals bearing FAO Nos. 881 of 2007 and 2961 of 2006. For the sake of adjudication, the facts are being taken from FAO No. 881 of 2007.

Grievance of the appellant before this Court is that claim submitted by Punjab State Civil Supplies Corporation Limited (hereinafter referred to as "PUNSUP") squarely falls within the expected Clause 22 and therefore, the Arbitrator did not have the jurisdiction though the application moved by the appellant before the Arbitrator for joining the proceedings but the said application was erroneously dismissed on 4.4.2004. Since the claim of the PUNSUP was in regard to claiming half times of the economic cost and as well as the interest at the rate of 21% and 30%, the said claims fall under the expected Clause and jurisdiction to decide the same is with the Managing Director of the PUNSUP.

Keeping in view the aforementioned facts, I am of the view that the Arbitrator did not have the jurisdiction to decide the reference and this aspect has not been noticed by the Principal Court while rejecting the objections. Since the dispute between the parties squarely fallen within the Clause 22 of the agreement dated 28.9.1996, I deem it appropriate to set aside the award dated 22.5.2002 and the order dated 2.9.2006 passed by the learned District Judge, Ferozepur and remand the matter to the Managing Director of the PUNSUP to decide

the dispute as expeditiously as possible, preferably within a period of eight months. The parties are directed to appear before the Managing Director on 18.1.2016.

Both the appeals stand disposed of.

(Amit Rawal)
Judge

December 23, 2015

"DK"