

F.A.O.No.3405 of 2011 (O&M)

{ 1 }

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

F.A.O.No.3405 of 2011 (O&M)

Date of Decision: August 02, 2016

Punjab State Warehousing Corporation, Chandigarh

... Appellant

Versus

**M/s Satnam Agro Industries Saroop Singh Wala Road, Mandi Guru Har
Sahai, District Ferozepur & another**

...Respondents

CORAM: HON'BLE MR.JUSTICE AMIT RAWAL, JUDGE

**Present: Mr.Ishtbir Singh Sidhu, Advocate,
for the appellant.**

**Mr.S.K.Singla, Advocate,
for respondent No.1.**

AMIT RAWAL, J. (Oral)

Appellant-Punjab Warehousing Corporation (for short "Corporation") is aggrieved of the order dated 24.7.2010, whereby the objections filed under Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter called as "1996 Act") seeking setting-aside of the arbitration award dated 27.12.2006, have been dismissed.

Mr.Ishtbir Singh Sidhu, learned counsel for the appellant-

Corporation submits that the arbitrator declined the claim for want of

agreement alleged to have been executed between the miller and the procuring agency and so is the order of the Objecting Court. The claim before the arbitrator was for deficient amount of the milling charges as part of the paddy was not milled and subject to auction and, therefore, the Corporation was deprived of the actual price of the paddy. The objections were falling within the realm of Section 34 of 1996 Act.

On the contrary, Mr.S.K.Singla, learned counsel for respondent No.1 submits that there is no illegality and perversity in the award and as well as the findings rendered by the Objecting Court for want of agreement. The appellant has miserably failed to prove the agreement and, therefore, could not have staked claim qua the amount so asked for in the claim petition.

I have heard the learned counsel for the parties and appraised the paper book.

It is a cardinal principle of law that for invoking and staking claim in the arbitration, agreement is the sole basis/foundation to be relied upon. Once the Corporation has failed to place on record the agreement, the aforementioned claim could not have been granted as the Arbitrator did not have any occasion/ponder upon the terms and conditions of the agreement.

In my view, the Corporation has miserably failed to

F.A.O.No.3405 of 2011 (O&M)

{ 3 }

substantiate the plea of claim in the absence of the agreement and rightly so, the claim has been rejected and so is the objections. No case for interference is made out.

Appeal stands dismissed.

August 02 , 2016
ramesh

(AMIT RAWAL)
JUDGE

Whether speaking/reasoned

Yes/No

Whether Reportable:

Yes/No