

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

Civil Writ Petition No.27427 of 2015 (O&M)
DATE OF DECISION: 10.03.2016

M/s Mehra Oil Carrier

....Petitioners

versus

Indian Oil Corporation Ltd. and others

.....Respondents

2. **Civil Writ Petition No.18602 of 2015 (O&M)**

M/s Mehra Oil Carrier

....Petitioners

versus

The Chairman, Indian Oil Corporation Ltd. and others

.....Respondents

CORAM:- HON'BLE MR.JUSTICE S.J. VAZIFDAR, ACTING CHIEF JUSTICE
HON'BLE MR. JUSTICE ARUN PALLI

Present: Mr. S.S. Behl, Advocate for the petitioners

Mr. Aashish Kapoor, Advocate for the respondents

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S.J. VAZIFDAR, ACTING CHIEF JUSTICE (Oral):

These petitions involve common issues and are, therefore, disposed of by this common order and judgment.

2. The petitioners have challenged a communication dated 16.07.2015 by which the respondents informed the petitioners their decision to offer the petitioners 60 days for replacement of all the blacklisted tank trucks. The petitioners have also challenged a consequential letter dated 16.12.2015 stating that as the petitioners had not availed the offer contained in the letter dated

16.07.2015, the work order issued in their favour stood withdrawn with immediate effect.

3. The petitioners were awarded a contract for the transportation of the respondents' products. Four partners of the petitioners' firm are also partners in another firm by the name of M/s Shiv Oil Carrier. There are two other partners also of M/s Shiv Oil Carrier.

4. M/s Shiv Oil Carrier was served with a notice dated 27.03.2015 calling upon them to show cause *inter alia* why their tank trucks ought not to be blacklisted. Ultimately, by an order dated 03.06.2015, the respondents ordered the termination of the contract entered into with M/s Shiv Oil Carrier with immediate effect and also ordered blacklisting of the entire fleet along with the crew of M/s Shiv Oil Carrier for a period of two years with effect from 02.06.2015 and forfeited the security amount.

5. It is admitted that the same tank trucks, which have been blacklisted by this order, are proposed to be used by the petitioners in respect of the present contract.

6. The petitioners, however, rely upon an order and judgment dated 29.10.2015 of the Additional District Judge, Chandigarh, in Arbitration Case No.274 of 13.10.2015. This was an order in a petition filed by M/s Shiv Oil Carrier under Section 9 of the Arbitration and Conciliation Act, 1996, for interim relief. The petitioners rely upon paragraph 14 of this order which reads as under:-

"14. In the light of the entire above facts and circumstances and keeping in view the fact that the aspect of appointment of arbitrator is already before the Hon'ble High Court, it would be appropriate to order

that the order, terminating the contract in question and black listing the transporting company, shall be kept in abeyance, till the decision of the arbitral proceedings. The petition under section 9 of the Arbitration and Conciliation Act, thus, stands disposed of accordingly in above terms while partly allowing the same. File be consigned to record room."

The petitioners contend that the order dated 03.06.2015 is, therefore, stayed and cannot be the basis of the action impugned in the present petition. It is contended that the order, in effect, stayed the order dated 03.06.2015 even in so far as it blacklisted the fleet and the crew. This contention was sought to be supported *inter alia* on the ground that the order dated 03.06.2015 did not blacklist the transport company at all. It was contended, therefore, that obviously what the Additional District Judge meant to order was a stay of the order dated 03.06.2015 even in so far as it blacklisted the fleet and the crew.

7. The order dated 29.10.2015 in the said arbitration petition, however, kept in abeyance the order terminating the contract with M/s Shiv Oil Carrier and blacklisting the transport company i.e. M/s Shiv Oil Carrier. It does not grant any stay against the order dated 03.06.2015 in so far as it blacklisted the entire fleet and the crew.

8. We are bound to read the order as it stands. If, according to the petitioners, the learned Additional District Judge actually intended keeping in abeyance the order dated 03.06.2015 in so far as it blacklisted the fleet and the crew, they must have the order clarified. It would not be open to us to read the order contrary to its plain language.

9. In that event, the petitioners would not be entitled to challenge successfully the impugned orders in the present petitions requiring them to replace the fleet which has been blacklisted by the respondents. However, in the event of the petitioners having the order clarified, the decision of the respondents would have to be reviewed in the light of and in accordance with the clarification, if any, that may be issued by the Additional District Judge in respect of the order dated 29.10.2015.

10. The petitions are accordingly disposed of.

(S. J. VAZIFDAR)
ACTING CHIEF JUSTICE

10.03.2016
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(ARUN PALLI)
JUDGE