

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

**ARB-142-2018 (O&M)
Decided on : 25.05.2018**

Barjinder Singh and another

. . . Petitioner(s)

Versus

HDFC Bank Ltd. and others

. . . Respondent(s)

**CORAM: HON'BLE MR. JUSTICE AJAY KUMAR MITTAL,
ACTING CHIEF JUSTICE**

PRESENT: Mr. Akhilesh Vyas, Advocate
for the petitioners.

AJAY KUMAR MITTAL, A.C.J. (Oral)

The petitioners by way of present petition filed under Section 11(6) of the Arbitration & Conciliation Act, 1996 (in short 'the Act of 1996') has approached this Court for appointment of an Arbitrator for redressal of the grievance arising between the parties.

2. Learned counsel for the petitioners referred to Clause 31 of 'the Agreement for Loan and Guarantee', which provides for 'Arbitration' in the case of disputes. Clause 31 reads thus:-

“31. ARBITRATION

The parties hereto expressly agree that all the disputes arising out of and/or relating to this agreement including any collateral document shall be subject to exclusive jurisdiction of the Court/Tribunal of the city in which the branch of HDFC Bank Ltd, which is party to this agreement is situated, provided however, if any dispute arising under this agreement is below the pecuniary jurisdiction of the Debt Recovery Tribunal established under Recovery of Debts due to Banking and Financial Institutions Act, 1993 (51 of 1993) then such dispute shall be referred to arbitration in accordance with the provisions of the Arbitration & Conciliation Act, 1996, as may be amended, or its reenactment, by a sole arbitrator, appointed by the Bank. The costs of such arbitration shall be borne by the losing party or otherwise as determined in the

arbitration award. If a party is required to enforce an arbitral award by legal action of any kind, the party against whom such legal action is taken shall pay all reasonable costs and expenses and attorney's fees including any cost of additional litigation or arbitration taken by the party seeking to enforce the award."

3. However, on a query being put to learned counsel for the petitioners whether any notice of demand for appointment of an Arbitrator was made, learned counsel for the petitioners submitted that he would approach the respondent Bank for appointment of an Arbitrator. It was, however, prayed that liberty be granted to the petitioners to approach this Court again by filing fresh application, in case, the request of the petitioners for appointment of the Arbitrator is not acceded to.

4. After hearing learned counsel for the petitioners, perusing the averments made in the petition, I deem it appropriate to dispose of the present petition at this stage by permitting the petitioners to approach the concerned respondent/authorities to make the claim as sought to be raised in the present petition in terms of the Act of 1996. It is, however, clarified that in case the prayer made by the petitioners is not accepted by the respondents, the petitioners shall be at liberty to move fresh petition, in accordance with law.

(AJAY KUMAR MITTAL)
ACTING CHIEF JUSTICE

May 25, 2018

J.Ram

Whether speaking/reasoned: Yes/No
Whether Reportable: Yes/No