

**IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH.**

FAO No.3838 of 2017 (O&M)
Date of decision: August 09, 2018

M/s Shanti Industries Jhatre Road, Zira & others ... Appellants

Versus

Punjab State Civil Supplies Corporation Ltd. & Ors. ...Respondents

CORAM: HON'BLE MR. JUSTICE RAJAN GUPTA

Present: Mr. Vinod Khunger, Advocate for the appellants.

Rajan Gupta, J.

Present appeal is directed against the order dated 20.08.2016, passed by Additional District Judge, Ferozepur, whereby application filed by the appellant under Section 34 of the Arbitration and Conciliation Act, 1996 for setting-aside award dated 09.07.2014, passed by respondent No.3- Arbitrator, has been dismissed.

Brief factual matrix of the case are that appellant M/s Shanti Industries entered into an agreement dated 13.10.2010 for milling paddy and supplying resultant rice to the FCI for the crop year 2010-11. As per terms of the agreement, the miller was to discharge its contractual obligations by 31.3.2011. The firm was entrusted 159736 bags of paddy, but it failed to deliver the entire resultant rice. Therefore, arbitration clause of the contract agreement was invoked. Consequently, respondent No.3 was appointed as Arbitrator for settlement of the dispute. Vide award dated 09.07.2014, the appellants were held liable to pay Rs.2,01,77,971/- to the respondent Corporation as on 31.03.2014, with

further interest @ 12% per annum from 01.04.2014 till realization. Aggrieved, appellants filed objections under Section 34 of the Arbitration and Conciliation Act, 1996. The Additional District Judge, Ferozepur, vide order dated 20.8.2016, dismissed the said objections of the appellants.

I find no infirmity with the orders passed by the Arbitrator as well as the court below. It appears, the award passed by the Arbitrator is reasonable and objections raised by the appellants are not tenable. The Arbitrator had rightly appreciated the evidence led by the parties. It is settled law that award of the Arbitrator cannot be set-aside without having proved grave misconduct by the Arbitrator. Certain issues have been raised by the appellants. However, it has not been shown that any miscarriage of justice has been caused. The plea, thus, holds no substance. There is nothing on record to show that finding arrived at by the Arbitrator as well as the court below is not in consonance with the evidence on record. Thus, appeal is without any merit and is hereby dismissed.

CM-12469-CII-2017:

Since the main appeal has been dismissed on merits, this application for condonation of delay does not survive and the same is also dismissed.

(RAJAN GUPTA)
JUDGE

August 09, 2018
'Rajpal'

Whether speaking / reasoned

Yes / No

Whether Reportable:

Yes / No