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

**ARB No.19 of 2022 (O&M)
Date of Decision: 21.12.2022**

**M/s Kulwinder Singh and Company, Engineers and
Contractors**

.....Petitioner

Vs

**Chief Engineer (North), Water Supply and Sanitation
Department and another**

.....Respondents

CORAM: *HON'BLE MR. JUSTICE RAJ MOHAN SINGH*

Present:Mr. Dheeraj Mahajan, Advocate
for the petitioner.

Mr. R.S. Pandher, Sr. DAG, Punjab.

RAJ MOHAN SINGH, J.(Oral)

[1]. The petitioner has preferred this petition under Section 11(6) of the Arbitration and Conciliation Act, 1996 for appointment of an independent Arbitrator to adjudicate the dispute between the parties arising out of contract agreement for the work i.e. providing public health amenities in Judicial Court Complex, Ajnala.

[2]. The allotment letter was issued to the respondents for execution of the aforesaid work on 30.09.2013 after inviting

tender on 06.08.2013.

[3]. Learned counsel for the petitioner submits that even after prolongation of work by the respondent, the petitioner has completed the work and the petitioner is entitled to different claims under claim Nos.1 to 4 towards final bill, amounting to Rs.7,12,291/- along with interest @18% per annum from the date of completion of work, interest @ 18% per annum for the delayed period of all running bills along with amount of security, for setting aside the impugned act of making the deduction in an unilateral manner amounting to Rs.2,04,355/- after preparing and passing of final bill and compensation due to prolongation of work for a period of 19 months after excluding the stipulated period towards cost of work, contractual profit @ 20%, contractual profit per month and compensation for the period of prolongation.

[4]. For the aforesaid components, the petitioner has claimed definite amount of compensation as shown in the representation regarding claim (Annexure P-3).

[5]. In the reply filed by the respondents, the respondents have alleged that the date of completion of contract was 05.08.2015, but there were so many short comings in the completion of contract and the same was not upto mark as per terms and conditions of the contract. Therefore, 4th and final bill

after removal of the short comings were submitted by the petitioner in a sum of Rs.7,12,291/- on 15.07.2018. The department has sought the funds from the Executive Engineer (B&R) vide letter dated 26.07.2018 and the funds are still awaited from the office of Executive Engineer. Despite recording the aforesaid factual position, the respondents have alleged that the petitioner is not entitled for any claim as the department has already released the amount of first running bill of Rs.28,37,582/- on 23/24.07.2014, second running bill of Rs.49,01,381/- on 23/24.07.2014 and third running bill of Rs.17,66,503/- on 06.02.2015. No other amount regarding the payment of any bill except fourth and final bill to the tune of Rs.7,12,291/- is due.

[6]. In the reply, the respondents have admitted the existence of dispute in respect of non-payment of fourth and final bill only. The claims made by the petitioner and denied by the respondents would give rise to a *bona fide* dispute, for which an Arbitrator has to be appointed.

[7]. Petitioner has tentatively valued its claim to the tune of Rs.40,00,000/- subject to the final adjudication by the Arbitrator.

[8]. In view of facts and circumstances of the case, I hereby appoint **Sh. Kunal Vinayak, Advocate, House No.538,**

Phase-I, Mohali, Mobile Nos.9569884926, 9876511277 as the

sole Arbitrator, to resolve the dispute/difference between the parties. The appointment of the Arbitrator shall be subject to the declaration to be made by him as required under Section 12 of Arbitration and Conciliation Act, 1996 in respect of his independence and impartiality to settle the dispute between the parties.

[9]. The Arbitrator would complete the proceedings within the specified time in terms of Section 29-A of the Act. The Arbitrator shall be paid fee in accordance with the IVth Schedule of the Act as amended from time to time. The fee shall be borne by both the parties equally.

[10]. The seat of the Arbitration shall be disclosed by the Arbitrator as per his/her convenience.

[11]. A copy of this order be dispatched to the Arbitrator on the following address:-

Sh. Kunal Vinayak, Advocate,
House No.538, Phase-I, Mohali,
Mobile Nos.9569884926, 9876511277

[12]. Petition stands disposed of accordingly.

21.12.2022
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(RAJ MOHAN SINGH)
JUDGE

Whether speaking/reasoned Yes/No

Whether reportable Yes/No