

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

245

ARB No. 50 of 2022 (O&M)

Date of Decision:06.12.2022

HINDUSTAN PETROLEUM CORPORATION LTD.

.....Petitioner

Versus

NARANJAN SINGH AND ANOTHER

.....Respondents

CORAM: HON'BLE MR. JUSTICE RAJ MOHAN SINGH

Present: Mr. Raman Sharma, Advocate
for the petitioner.

Mr. Aman Bansal, Advocate for the respondents.

RAJ MOHAN SINGH, J. (Oral)

The petitioner has filed this petition under Section 11 of the Arbitration and Conciliation Act, 1996 for appointment of an Arbitrator.

A petroleum dealership Agreement (DPSL) was executed between the parties on 19.11.2010 under which respondents were allowed to enter upon the premises of the petitioner and use the facilities erected thereupon for storage and sale of petroleum products of HPCL i.e. the petitioner. In terms of the aforesaid agreement and policy governing the corpus fund category, loan agreement dated 19.11.2016 was entered and the respondents were advanced a loan of Rs.13,25,000/- as working capital at the interest of 11% per annum which was to be repaid in 100 installments commencing with effect from 13th month of operation of dealership.

The retail outlet was made operational w.e.f 13.09.2016 but the respondents ultimately failed to make the payment despite numerous correspondence. Disputes arose between the parties. A legal notice was got issued by the petitioner on 26.10.2020, but the same was not adhered to. The respondents have stopped lifting supplies w.e.f. January, 2019 and have not made payments of EMIs. Even a request for arbitration was not entertained. Owing to inaction on behalf of the respondents, present petition came to be filed.

During the course of arguments, learned counsel for the parties are *ad idem* that a bona fide dispute exists between the parties and the agreement has an arbitration clause, which has already been invoked by the petitioner.

Learned counsel for the respondent has no objection in case the dispute is referred to an independent arbitrator. The petitioner has tentatively valued its claim to the tune of Rs.18,10,000/-.

In view of the aforesaid facts, I deem it appropriate to appoint Sh. Tushar Sharma, Advocate, House No.182, Sector 6 MDC, Panchkula (Mobile: 9876994142) 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.

The Arbitrator would complete the proceedings within the

specified time in terms of Section 29-A of the said 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 the petitioner and respondent(s) in equal proportion.

The venue will be as per the convenience of the Arbitrator.

The respondent shall also be entitled to raise any counter claim in respect of the stand taken in reply to the notice of invocation.

A copy of this order be dispatched to the Arbitrator at the following address:-

“Sh. Tushar Sharma, Advocate, House No.182, Sector 6
MDC, Panchkula (Mobile: 9876994142)”.

Petition stands disposed of accordingly.

06.12.2022
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(RAJ MOHAN SINGH)
JUDGE