

2023:PHHC:133800

**In the High Court for the States of Punjab and Haryana
At Chandigarh**

ARB-172-2023 (O&M)
Date of Decision:-13.10.2023

M/s Mohit Construction Company ... Petitioner

Versus

Dakshin Haryana Bijli Vitran Nigam and others ... Respondents

CORAM: HON'BLE MR. JUSTICE GURVINDER SINGH GILL

Present:- Mr. Lajpat Rai Sharma, Advocate for the petitioner.

Ms. Prerna Malhotra, Advocate for
Mr. Prateek Mahajan, Advocate for the respondents.

GURVINDER SINGH GILL, J. (Oral)

1. The petitioner has approached this Court seeking appointment of an Arbitrator in terms of provisions of Section 11(6) of Arbitration and Conciliation Act, 1996.
2. The dispute arises out of agreement/contract dated 16.8.2019 (Annexure P-1) as per which the respondent – department has allotted a tender work to the petitioner vide memo No.Ch-48/EOH-736/111 dated 14.9.2020 for white-washing at Vidyut Nagar Colony, Hisar, NIT No.18/EOH-736/VOL-111/2019-20 dated 16.8.2019 with approximate cost of Rs.97,16,946/- with a time limited of 12 months. The scope of work was also enhanced by the Estate Officer vide memo No.Ch-48/EOH-736/111 dated 11.9.2020 on the

same rates upto 12.12.2020. A dispute having arisen as regards payment, the petitioner served a legal notice dated 19.12.2022 (Annexure P-5) upon the respondents for invocation of arbitration, but to no avail.

3. Clause – 73 of agreement/contract dated 16.8.2019 (Annexure P-1) provides for dispute resolution through ‘Arbitration’.
4. The only objection raised on behalf of the respondents for appointment of an Arbitrator is that the petitioner has not come forward to make the security deposit to the tune of 3% of the total claimed amount in accordance with Clause – 73(vii) of agreement/contract dated 16.8.2019 (Annexure P-1).
5. Learned counsel representing the petitioner submitted that the petitioner undertakes to make such deposit within a period of three weeks from today.
6. Both the learned counsel are *ad idem* that Arbitrator may be appointed subject to make the security deposit to the tune of 3% of the total claimed amount by the petitioner.
7. Accordingly, Sh. Karnail Singh Ahhi, District & Sessions Judge (Retd.) is appointed as the sole Arbitrator. However, such appointment would be subject to the declaration to be made by Sh. Karnail Singh Ahhi, District & Sessions Judge (Retd.) under Section 12 of the Act with regard to his independence and impartiality to settle the disputes between the parties.
8. The Arbitrator shall be paid fee in accordance with the Fourth Schedule of the Act, as amended or as may be mutually settled by the parties and the Arbitrator.
9. The Arbitrator may conduct proceedings at Arbitration Centre, Chandigarh or at any other place convenient to all concerned.

10. After seeking convenience of the Arbitrator, the parties are directed to appear before him on 9.11.2023 at 11:00 A.M. or any other date suitable to all concerned.
11. A copy of this order be sent to the appointed Arbitrator at the given address :

H. No.1193, Sector 43B, Chandigarh.
Phone Nos. 87259-41955, 98882-11658
12. The petition is accordingly disposed of in the above mentioned terms.

13.10.2023

pankaj

**(Gurvinder Singh Gill)
Judge**

Whether speaking /reasoned

Yes / No

Whether Reportable

Yes / No