

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

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Reserved on:11.05.2023**Date of Decision:01.08.2023****M/S SHREE REGHUNATH ENTERPRISES****.....PETITIONER****VERSUS****STATE OF HARYANA
AND OTHERS****.....RESPONDENTS****CORAM: HON'BLE MR. JUSTICE VINOD S. BHARDWAJ.****Present: Mr. Ivan Singh Khosa, Advocate,
for the petitioner.****Mr. Pankaj Mulwani, DAG, Haryana.************VINOD S. BHARDWAJ , J.**

Challenge in the present petition is to the reference dated 17.03.2023 (Annexure P-2) whereby notice of appearance had been sent by respondent No.3 to the petitioner in Case No.4126/2022 filed by M/s Jagdhatri Plywood. The main grievance raised in the matter is on the appointment of the Sole Arbitrator as it being violative of Section 18(3) of the MSMED Act, 2006 and the arbitration cannot be conducted by an *ad hoc* Arbitrator. The same can either be referred for an institutional arbitration or the Council can take up the matter itself. It has been alleged that the petitioner was having business relationship with respondent No.4- M/s Jagdhatri Plywood and had given verbal order for supply of ply, ply-board and 30 mm doors. The supplies were of substandard quality against the

quality promised, however, despite being confronted, the respondent No.4 refused to take it back. Consequently, the petitioner was forced to procure the supplies from other suppliers on exorbitant prices compounding his loss. Respondent No.4 is refusing to indemnify the amount of loss so caused to him. The claim that has been lodged by him is with a reference to an incomplete ledger which does not show the payments received by him. It was pointed out that the petitioner had made substantive payments before 26.10.2020 in lieu of the supplies received and the amount of Rs.20,42,009/- claimed is an incorrect figure.

Since only legal issues arose, the arguments were heard and the judgment in the present case was reserved. No notice was issued to the respondents and as such, the formal replies have not been received in the present case.

It is relevant to mention here that the controversy in the present writ petition has already been considered in CWP-12338-2019.

In view of the above, the present writ petition is disposed of, in terms of the judgment of even date passed in **CWP-12338-2019**, titled as **“Indian Oil Corporation Limited Versus Haryana Micro and Small Enterprise Facilitation Council, Chandigarh, Haryana and another”**.

August 01, 2023
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(VINOD S. BHARDWAJ)
JUDGE

Whether speaking/reasoned: Yes/No

Whether Reportable: Yes/No