

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

ARB-351-2019

Date of Decision: 9th January, 2023

M/S Piccadilly Sugars and Allied Industries Ltd

... Petitioner

Versus

Punjab State Industrial Development Corporation Ltd

... Respondent

CORAM : HON'BLE MR. JUSTICE AVNEESH JHINGAN

Present : Mr. Sanjeev Sharma, Senior Advocate with
Mr. Sandeep Singh, Advocate for the petitioner.

Mr. Vikash Mohan Gupta, Advocate for the respondent.

AVNEESH JHINGAN , J.(Oral)

1. This is a petition under Section 11 (6) of the Arbitration and Conciliation Act, 1996 (for short, 'the Act') for appointment of an Arbitrator.

2. The brief facts are that petitioner purchased land from PSIDC vide sale deed dated 25th May, 1994. As per clause 4.4 of sale deed any dispute concerning the clause of the sale deed would be resolved through Arbitration. Clause 4.4 of the sale deed is reproduced hereunder:-

“ If any dispute or controversy arises with regard to any clause or fact stated in this sale deed or with regard to any rights or duties agreed in this sale deed or with regard to any dispute concerning this sale deed or any reference shall be decided by an arbitrator to be appointed with the consent of both the parties and the proceedings be governed by the

provisions of the Arbitration and Conciliation Act. The award made by the arbitrator shall be binding on both the parties.”

3. The backdrop is that land was acquired by Land Acquisition Collector on 7th May, 1993 Letter of intent issued and Sugar Mill was set up. Patran Sugar Mill transferred land along with plant, machinery and letter of intent to PSIDC. The award of acquisition of land was challenged and this Court enhanced the compensation. The petitioner was not made party in appeal and as per Clause 10 of the agreement, petitioner was liable to pay the enhanced compensation.

4. In Execution Proceedings the land of the petitioner was ordered to be put to auction and on gaining knowledge of the auction dated 2nd August, 2019 (wrongly mentioned as 2nd August, 2018), petitioner availed remedies under Section 9 of the Act. Notice dated 11th November, 2019 for invocation of arbitration was issued. Notice was replied by respondent on 2nd December, 2019 refusing to appoint the Arbitrator and not accepting the name of the Arbitrator proposed by the petitioner.

5. The dispute and difference has arisen between parties, the petition is accordingly disposed of by appointing Mr. Justice Darshan Singh, Former Judge of this Court, # 56, Sector 16-A, Chandigarh, as an Arbitrator. The appointment is made subject to declaration to be made by him under Section 12 of the Act with regard to his independence and impartiality to settle the dispute between the parties.

6. 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. Fee of Arbitrator will be equally borne by both

parties. The Arbitrator is requested to complete proceedings as per time limit specified under Section 29-A of the Act.

7. It is clarified that the reference shall be subject to petitioner's complying with all the requirements of the agreement including the condition of pre-deposit. Copy of the order be sent to the appointed Arbitrator.

(AVNEESH JHINGAN)
JUDGE

9th January, 2023

<i>Parveen Sharma</i>	Whether reasoned/speaking	Yes/No
	Whether reportable	Yes/No