

*ARB-33-2022 (O&M)**-1-*

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

216**ARB-33-2022 (O&M)**

Date of Decision: 13.09.2024

M/S PURI OIL MILLS LIMITED AND ANR

... Petitioners

Vs

**DEPARTMENT OF IRRIGATION,
STATE OF HARYANA AND ORS**

.... Respondents

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present: Mr. Himanshu Arora, Advocate for the petitioners.

Mr. Sushant Sharma, Advocate for

Mr. Deepak Balyan, Advocate for respondent No.4.

Mr. Sharad Aggarwal, DAG, Haryana.

SUVIR SEHGAL, J. (ORAL)

1. This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 for appointment of an Arbitrator to adjudicate the dispute between the parties.

2. Counsel for the petitioners submits that a memorandum of understanding was entered into between the parties, for implementation of Small Hydro Power Project at Khajuri on Augmentation Canal, in District Yamuna Nagar for a capacity of 2400 KW on 11.04.2011, Annexure A-1. He submits that before the project could be completed, it was cancelled by the respondents on 16.07.2018 and the cancellation was challenged before this Court by filing a writ petition (CWP No.2931 of 2021), which was withdrawn



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on 10.02.2021, Annexure A-2, with liberty to invoke the arbitration clause. By referring to order dated 06.10.2021, Annexure A-3, counsel for the petitioner submits that a review application filed by the petitioners was disposed of on a statement made by the State counsel that he would have no objection, in case, the petitioners are granted leave to avail the remedies as admissible in accordance with law. A legal notice dated 15.11.2021, Annexure A-4, was issued invoking the arbitration clause. He submits that present petition was filed before this Court in January, 2022 and till then, no response was received from the respondents.

3. Despite repeated opportunities, no response has been filed on behalf of respondents No.1 to 3. Petition was contested by respondent No.4 by filing a short reply, wherein it has been submitted that vide communication dated 15.02.2022, Annexure R-4/7, a decision has been taken to appoint an Arbitrator. At this stage, counsel for the petitioners submits that by communication dated 05.03.2022, Annexure R-4/8, petitioners rejected the proposed name as the appointment was being made by the respondents after the filing of the instant petition. It is also his assertion that in a similar dispute regarding implementation of the project at Main Matti, an Arbitrator was appointed by this Court by order dated 16.12.2022 in ARB-47-2022.

4. I have heard counsel for the parties and considered their respective submissions.

5. As respondent No.4 had already taken a decision to



appoint an Arbitrator by virtue of Annexure R-4/7, prayer made in the petition deserves to be accepted.

6. It may be mention here that State of Haryana was a party to order dated 16.12.2022, whereby an arbitrator has been appointed by this Court in a similar project awarded to the petitioners.

7. Accordingly, petition is allowed. Mr. Justice (Retd.) B.S. Walia, former Judge of Punjab and Haryana High Court, #1143, Sector 8-C, Chandigarh, Mobile No.98140-06691, is nominated as an Arbitrator to adjudicate the dispute between the parties, subject to compliance of statutory requirements.

8. Parties are directed to appear before the learned Arbitrator on date, time and place to be fixed by the Arbitrator at his convenience.

9. Needless to mention, parties will be at liberty to raise all the claims/defences/counter claims/pleas before the Arbitrator. Any observation made hereinabove will not be binding on the learned Arbitrator.

10. A request letter along with a copy of this order be sent to Mr. Justice (Retd.) B.S.Walia.

13.09.2024
pooja saini

(SUVIR SEHGAL)
JUDGE

Whether Speaking/Reasoned	Yes/No
Whether Reportable	Yes/No