

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

271

CR-1934-2023 (O&M)

Date of Decision:13.03.2024

M/S IFFCO KISAN FINANCE LTD

..... Petitioner

Vs

M/S PREET TRACTORS PVT LTD AND ANR

..... Respondents

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

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

Mr. Rakesh Gupta, Advocate for the respondents.

SUVIR SEHGAL, J. (ORAL)

1. Present revision petition has been filed under Article 227 of the Constitution of India assailing impugned ex-parte interim order dated 23.02.2023 (Annexure P-1) passed by learned Additional District Judge, Patiala on an application under Section 9 of the Arbitration and Conciliation Act, 1996 (for short 'the Act') vide which the petitioner has been restrained from encashing the bank guarantee etc. and from initiating recovery proceedings against respondent No.1.

2. Counsel for respondent No.1 has placed on record copy of order dated 02.05.2023 passed by the Court of learned Additional District Judge, Patiala. A statement has also been made that by order dated 04.03.2024, the

High Court of Delhi, on a petition filed by respondent No.1, under Section 11 of the Act has appointed a sole Arbitrator to adjudicate the dispute between the parties. It has been submitted that sole Arbitrator has not entered upon the reference.

3. When confronted with the arbitration clause as well as the judgments of the Hon'ble Supreme Court in **Swastik Gases Pvt. Ltd. Vs. Indian Oil Corporation Limited**, (2013) 9 Supreme Court Cases 32 and **B.E. Simoes Von Staraburg Niedenthal and another Versus Chhattisgarh Investment Limited**, (2015)12 Supreme Court Cases 225, counsel for respondent No.1 could not dispute that court at Patiala did not have the jurisdiction to entertain the petition under Section 9 of the Act. However, he submits that interim orders passed by the Court of learned Additional District Judge, Patiala may be kept in operation till the time respondent No.1 moves an appropriate application before the Arbitrator who is yet to make the statutory delcaration. This prayer has not been opposed by counsel for the petitioner.

4. In view of the above, petition is disposed of with liberty to respondent No.1 to move an appropriate application before the Arbitrator within a period of two months of his entering upon the reference. Interim orders passed by learned Additional District Judge, Patiala shall remain in operation till such time.

13.03.2024
pooja saini

(SUVIR SEHGAL)
JUDGE

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