



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

218

ARB-289-2024 (O&M)

Date of Decision:18.12.2024

M/S ASC BUILDERS PRIVATE LIMITED

... Petitioner

Vs.

IMPROVEMENT TRUST BATHINDA AND ANR

... Respondents

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present: Mr. Ankush Singla, Advocate for the petitioner.

Mr. ADS Sukhija, Advocate and
Mr. Ish Karan Singh Chhabra, Advocate
for the respondents.

SUVIR SEHGAL J. (ORAL)

1. This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (for short 'the Arbitration Act') for appointment of a sole Arbitrator to settle the differences between the parties.

2. Counsel for the petitioner submits that the petitioner was successful bidder of commercial site measuring 5000 square yards under Scheme 25.21 acre, Tagore Nagar, Bathinda and an allotment letter dated 25.10.2019, Annexure P-2, was issued in its favour. He states that an agreement for sale, Annexure P-1, was entered into between the parties on 10.12.2019 and clause 15 of the Agreement provides for reference of dispute to an Arbitrator. Some disputes arose between the parties as the respondents issued show cause notices,



Annexures P-6 and P-7, for resumption of the site on account of non-deposit of the remaining installments and petitioner filed a petition under Section 9 of the Arbitration Act. Counsel asserts that by order dated 16.10.2023, Annexure P-9, learned Additional District Judge, Bathinda, directed that a status quo regarding the resumption of the property be maintained. By referring to legal notice dated 08.04.2024, Annexure P-10, counsel urges that petitioner has invoked the arbitration clause but the respondents have chosen to ignore the notice.

3. Petition has been contested by the respondents by filing a short reply, wherein a stand has been taken that the petitioner has failed to fulfill its obligation under the agreement. Counsel for the respondents has contended that the petitioner is seeking increase in the Floor Area Ratio (FAR) for a commercial building, which is not covered by the agreement, Annexure P-1, and rather is governed by the Building Bye Laws of 2018 and 2019.

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

5. It is evident that an agreement has been entered into between the parties, which contains an arbitration clause. Some difference has arisen between the parties and the petitioner has served a legal notice invoking the arbitration clause. The stand taken by the respondent that the FAR is not covered by the agreement is a matter which requires to be adjudicated by the Arbitrator. This Court,



therefore, has no hesitation in acceding to the prayer made in the petition.

6. Accordingly, petition is allowed. Mr. Justice (Retd.) Shekher Dhawan, former Judge of this Court, House No. 2109, Sector 21, Chandigarh, Mobile No.8558809941 is nominated as an Arbitrator to adjudicate the dispute between the parties, subject to compliance of statutory requirements.

7. Parties are directed to appear before the learned Arbitrator on date, time and place fixed by the Arbitrator at his convenience. Liberty is given to the parties to make a request before the Arbitrator for holding the proceedings at Bathinda.

8. 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.

9. A request letter along with a copy of this order be sent to Mr. Justice (Retd.) Shekher Dhawan.

18.12.2024	(SUVIR SEHGAL)
pooja saini	JUDGE
Whether Speaking/Reasoned	Yes/No
Whether Reportable	Yes/No