



ARB-325-2023

-1-

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

126

ARB-325-2023

Date of Decision: 25.09.2024

M/s 3i Infotech Limited

...Applicant

Versus

Punjab State Bus Stand Management Company Limited ...Respondent

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: - Mr. Madhup Singhal, Advocate (*through video conferencing*)
Mr. Gaurav Jindal, Advocate and
Mr. Rajan Garg, Advocate for the applicant

Mr. Vaibhav Gupta, Advocate for the respondent

JAGMOHAN BANSAL, J. (Oral)

1. Through instant application under Section 11(6) of the Arbitration and Conciliation Act, 1996 (for short '**1996 Act**'), the applicant is seeking appointment of an Arbitrator.
2. The parties entered into agreement dated 05.03.2020 (Annexure P-3). There is an arbitration clause in the aforesaid agreement. The execution of agreement, arbitration clause in the agreement and service of notice under Section 21 of 1996 Act is not disputed.
3. Learned counsel for the respondent submits that as per Clause 25.3 read with Clause 3.5 of Schedule V, the applicant, at the first instance, was supposed to serve a written notice. The dispute was required to be referred to Project Monitoring Committee and for the said purpose, the applicant was required to give a written notice (dispute notice). In case of



failure of said mechanism, the matter was required to be referred to Managing Director and thereafter, the matter could be referred to Arbitral Tribunal.

4. From the perusal of record, it comes out that the applicant vide notice dated 19.07.2022 (Annexure P-25) requested the respondent to appoint an Arbitrator as per Clause 25 of the agreement. The respondent did not reply to said notice, however, vide communication dated 07.03.2023 fixed a meeting with the Managing Director. The said meeting was finally held on 10.05.2023. At that stage, the applicant was never asked to file demand notice in terms of Clause 3.4 of Schedule V. The respondent conducted meeting which was presided by Managing Director. Meeting with Managing Director was a step subsequent to reference to Project Monitoring Committee. By holding meeting, the respondent itself waived procedure of Project Monitoring Committee. The applicant, for the last two years, is asking the respondent to resolve the matter through Arbitral Tribunal. The respondent even in the meeting held on 10.05.2023 did not ask the applicant to file demand notice in terms of aforesaid clause of Schedule V.

5. Conditions to invoke power conferred by Section 11(6) of 1996 Act stand satisfied, thus, I hereby appoint a sole Arbitrator to adjudicate the dispute between the parties.

6. Mr. Justice Harbans Lal, Retired Judge of this Court, residing at #3006-A, Sector 39-D, Chandigarh, Mobile No.7508011577 is hereby appointed as a Sole Arbitrator to adjudicate the dispute between the parties, subject to compliance of statutory requirements. The learned Arbitrator is



ARB-325-2023

-3-

requested to comply with mandate of Section 12 of 1996 Act before proceeding further.

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

8. The Arbitrator shall be paid fee in accordance with the Fourth Schedule of the Act, as amended.

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

10. Needless to mention, parties would 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.

11. A request letter along with copy of this order be sent to Mr. Justice Harbans Lal.

(JAGMOHAN BANSAL)
JUDGE

25.09.2024*Mohit Kumar*

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No