

Neutral Citation No. 2024:PHHC:042731

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

109

ARB-374-2022 (O&M)
Date of Decision:01.04.2024

ALWAYS FIRST SECURITY COMPANY LLP.

... Petitioner

Vs

UNION OF INDIA AND ANOTHER

.... Respondents

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present Mr. Gurbir Singh Sidhu, Advocate with
Mr. Mohit Kumar, Advocate for the petitioner.

Ms. Puneeta Sethi, Senior Panel counsel for UOI.

SUVIR SEHGAL, J. (ORAL)

CM-15375-CII-2022

1. Application is allowed, as prayed for.
2. Petitioner is permitted to place on record details of payment made under the contract as Annexure P-10.

CM-15636-CII-2022

3. Prayer in the application is for amendment of the arbitration

petition by making a correction in para 3 thereof.

4. Counsel for the petitioner submits that due to an inadvertent typographical mistake some details have been wrongly mentioned in the arbitration petition, necessitating the moving of the present petition.

5. For the reasons given therein, the application is allowed.

6. Petitioner is permitted to amend the petition.

7. Amended petition is taken on record.

Main case

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

9. Counsel for the petitioner submits that petitioner was awarded contract for 'Vegetation and Drainage Clearance Services'. He submits that a dispute arose between the parties during the execution of the contract and by letter dated 22.03.2021, Annexure P-5, respondents terminated the contract and requested the petitioner to surrender all the security passes issued to it. He submits that petitioner approached this Court by filing a writ petition which was withdrawn on 08.10.2021, Annexure P-6 with liberty to invoke the arbitration clause. He submits that notice dated 27.10.2021 Annexure P-7 was served upon the respondents under the Act, for appointment of an Arbitrator but the respondents did not take any action.

10. Upon notice of the petition, respondents have filed a reply, opposing the prayer and have submitted that there were

complaints that petitioner's work is unsatisfactory and numerous notices were issued to it. It has been further submitted that the petitioner delayed the deposit of PBG. When the petitioner failed to improve the quality of service and did not provide any service after 11.12.2020, the contract was terminated. A stand has been taken that all the payments due to the petitioner have been disbursed.

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

12. From the material on the record, it is evident that a contract was entered into between the parties which contains an arbitration clause. A dispute has arisen between them and petitioner has invoked the arbitration clause. As to whether the petitioner is at fault and whether any amount is due to it, would be determined by the Arbitrator.

13. For the foregoing reasons, this Court is of the view that the prayer made in the petition deserves to be acceded to.

14. Petition is allowed.

15. Sh. Bua Jee Sansi, Addl. District & Sessions Judge, (Retd.), H. No.59, Tara Singh Avenue, Basti Bawa Khel, Kapurthala Road, Jalandhar 144021, Mobile No. 94177-59600, is appointed as an Arbitrator to adjudicate the dispute between the parties subject to statutory declaration under Section 12 of the Act.

16. Parties are directed to appear before the Arbitrator on 02.05.2024 at 11:00 am at the address mentioned above or at any other place to be fixed by the Arbitrator.

17. The Arbitrator shall be paid fee in accordance with the Fourth Schedule of the Act, as amended.
18. The Arbitrator is requested to complete the proceedings as per time limit specified under Section 29-A of the Act.
19. Needless to mention, parties will be at liberty to raise all the claims/defences/counter claims/pleas before the Arbitrator.
20. Copy of the order be sent to the appointed Arbitrator.

01.04.2024
pooja saini

(SUVIR SEHGAL)
JUDGE

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