

ARB-473-2023

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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

287

ARB-473-2023

Date of Decision: 12.08.2024

M/s Mahaluxmi Enterprises

...Applicant

Versus

United India Insurance Company Limited

...Respondent

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: - Mr. Jimmy Singla, Advocate for the applicant

Mr. S.S. Sidhu, 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 respondent, at the outset, pointed out that applicant vide letter dated 14.06.2023 has intimated that if a sum ₹9,29,685/- is paid, it would be satisfied and Insurance Company will be discharged from all liabilities in respect of the loss.

3. The applicant, on account of a fire which gutted its factory, lodged a claim with respondent-Insurance company. A Surveyor was appointed who assessed loss caused to applicant on account of fire. The applicant was claiming that he has suffered loss to the tune of ₹79,64,000/- whereas surveyor assessed loss to the tune of ₹9.29 Lakhs.

4. The applicant claims that discharge/full and final certificate was issued under coercion. It was facing financial crisis, thus, compensation offered by respondent was accepted.

5. The applicant in support of its arguments cited judgment of Supreme Court in *The Oriental Insurance Co. Ltd. and Another v. Dicitex Furnishing Ltd., (2020) 4 SCC 621* and of this Court in *M/s Nath Singh Govt. Contractor through its partner, Harjinder Singh v. Punjab State Electricity Board through its Chairman, PSEB and others, 2009(5) R.C.R (Civil) 815*.

6. The respondent in support of its contentions cited judgments of Supreme Court in *United India Assurance Company Ltd. v. Antique Art Exports Pvt. Ltd., 2019(5) SCC 362* and *New India Assurance Company Ltd. v. Genus Power Infrastructure Ltd., 2015(2) SCC 424*.

7. There is no dispute qua agreement between the parties and arbitration clause. The applicant has complied with requirements of Section 21 of 1996 Act.

8. The parties are disputing on the question of full and final settlement.

9. Considering the dispute raised by both sides and judgments of Supreme Court, I deem it appropriate to appoint an Arbitrator who would be competent authority to decide all the issues raised by the parties.

10. Major Phalit Sharma, Additional District & Sessions Judge (Retd.), residing at Flat No. 532, Block H, Shikhar Apartments, GH2, Sector

5, MDC, Panchkula, Mobile No.9466100002 is hereby appointed as a Sole Arbitrator to adjudicate the dispute between the parties, subject to compliance of statutory requirements. The learned Arbitrator is requested to comply with mandate of Section 12 of 1996 Act before proceeding further.

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

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

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

14. 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.

15. A request letter along with copy of this order be sent to Major Phalit Sharma, Additional District & Sessions Judge (Retd.).

(JAGMOHAN BANSAL)
JUDGE

12.08.2024
Mohit Kumar

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