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

ARB-124-2023

Date of decision:-11.07.2024

M/s M.R. Bansal

...Petitioner

Versus

Union of India and others

...Respondents

**CORAM : HON'BLE MR. JUSTICE SUVIR SEHGAL**

**Present** : Mr.Rohan Mittal, Advocate for  
Mr.Vishal Garg, Advocate  
for the petitioner.

Mr.Praveen Chander Goyal, Advocate  
for the respondents.

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**SUVIR SEHGAL, J.(ORAL)**

1. Counsel for the respondents submits that the reply on behalf of the respondents was filed. However, inadvertently the annexures were left out. He has supplied copies of Annexures R1 and R2, which are taken on record.

2. By way of instant petition filed under Section 11 (6) of the Arbitration and Conciliation Act, 1996 (for short "the Act"), petitioner has approached this Court for appointment of an independent Arbitrator to adjudicate the disputes between the parties.

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3. Counsel for the petitioner submits that a contract, Annexure P2 bearing No.CWE/AF AMB/HAL – 37/2016-17 pertaining to Special Repair to SMC Building and Officer’s Mess at AF Station, Barnala was entered into between the petitioner and the respondents pursuant to acceptance of tender vide letter dated 24.10.2016, Annexure P3. He submits that the Clause 70 of the IAFW-2249, which forms a part and parcel of the contract agreement, contains a provision for resolution of disputes through the medium of arbitration. Counsel submits that the work was completed within the period extended by the respondents and as some payment was not released, petitioner invoked the arbitration clause by letter dated 03.09.2019, Annexure P7. In response, the respondents by their communication dated 06.03.2020, Annexure P10, sent a copy of agreement for appointment of an arbitrator whereby they asked the petitioner to waive Section 12(5) of the Act. Counsel submits that the petitioner declined to sign their agreement by letter dated 13.03.2020, Annexure P11. He submits that in the meantime, some further payment was released by the respondents in March, 2022. Counsel submits that the cause of action arose to the petitioner when part payment was released and the petition has been filed within the period prescribed under the Limitation Act, 1963 from the said date.

4. Upon notice by this Court, respondents have filed reply wherein it has been submitted that the petitioner’s firm was delisted on account of the death of a partner and its re-listing is pending as the petitioner firm has not been reconstituted. A stand has been taken that as the petitioner has refused to sign the agreement for arbitration, the matter



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cannot be referred to an Arbitrator. It has been further submitted that there has been a delay on the part of the petitioner in the completion of the works.

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

6. The parties are ad idem that the petitioner was allotted a contract and Clause 70 of the IAFW-2249 is applicable to the proceedings. From the rival stand taken by the parties, it is evident that a dispute persists and the same deserves to be referred to an Arbitrator for adjudication. As to whether there has been any delay on the part of the petitioner would be a matter, which would be required to be gone into by the Arbitrator.

7. Accordingly, petition is allowed. Er. Suresh Kumar Nangru, Former Superintending Engineer, r/o H.No.154, Sector 35- A, Chandigarh, M: 9416036745, is appointed as the sole Arbitrator to adjudicate the dispute between the parties, subject to declaration to be made by him under Section 12 of the Act with regard to his independence and impartiality to adjudicate the dispute between the parties.

8. Parties are directed to appear before the Arbitrator on 19.08.2024 at 11:00 A.M. at the address mentioned above or at any other place to be fixed by the Arbitrator.

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

10. Needless to mention that all the questions arising between



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the parties in this matter will remain open for determination in the arbitration proceedings, and any observation made hereinabove will not be binding on the Arbitrator.

11. Copy of the order be sent to the appointed Arbitrator.

**(SUVIR SEHGAL)**  
**JUDGE**

**11.07.2024**

**Brij**

**Whether reasoned/speaking : Yes/No**

**Whether reportable : Yes/No**