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

110

ARB-479-2024

Date of Decision : 04.11.2024

SAURABH VASHIST

.... APPLICANT

V/S

CHANDIGARH INDUSTRIAL AND TOURISM DEVELOPMENT
CORPORATION LIMITED (CITCO) AND ANOTHER

.... RESPONDENTS

CORAM : HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present : Mr.Rahul Bhargava, Advocate
for the applicant.

Mr. Surinder Sharma, Advocate
for respondent No.1.

JAGMOHAN BANSAL, J. (Oral)

1. The applicant through instant application is seeking extension of mandate as well as substitution of sole arbitrator.

2. The respondent-CITCO allotted an industrial shed to Mr.S.P.Khanduri son of Mahanand Khanduri. The said allotment was made on 99 years lease basis. A dispute erupted between the applicant and respondent. The applicant is claiming himself as GPA holder of original allottee. The respondent referred the dispute to a sole arbitrator i.e. Director of Industries, Industries Department, U.T. Chandigarh. On account of change of officers holding the post of Director of Industries, the matter could not be adjudicated within prescribed time.

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With the consent of parties, the arbitrator extended the time limit. The matter is still pending though even extended period has passed away.

3. Mr. Rahul Bhargava submits that Director of Industries is a part of U.T. Administration and respondent is also part of U.T. Administration, thus, Director of Industries may be substituted by an independent arbitrator. There is frequent change of the official holding the post of Director of Industries, thus, there is no possibility of conclusion of proceedings at the earliest.

4. Mr. Sharma, counsel for the respondent submits that the respondent has no objection if mandate of arbitrator is extended, however, arbitrator appointed by CITCO may not be substituted. It is applicant who is delaying the matter.

5. I have heard the arguments of counsel for the parties and perused the record.

6. The respondent undisputedly is a part of U.T. Chandigarh and Director of Industries is also part of U.T. Chandigarh. The Director is official of U.T. Administration. He is looking after administrative work of industries department and as per Section 12(5) read with Schedule 5 and 7 of Arbitration and Conciliation Act, 1996 (for short '1996 Act'), it would be appropriate to substitute Director of Industries by an independent arbitrator. Accordingly, the instant application is allowed and arbitrator appointed by respondent i.e. Director of Industries is substituted by Mr. Satvinder Singh, District & Sessions Judge (Retd.) residing at House No.390, IAS-PCS Society, Mullanpur, New

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Chandigarh, District SAS Nagar, Mohali-140901, Mobile No. 9877979433.

7. The substituted arbitrator shall complete the proceedings within 07 months from today. To avoid further delay, it is made clear that none of the parties would seek adjournment. The substituted Arbitrator shall comply with mandate of Section 12(5) of 1996 Act and proceed from the stage already reached and on the basis of evidence and material already on record.

8. Disposed of in above terms.

(JAGMOHAN BANSAL)
JUDGE

04.11.2024

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Whether speaking/reasoned : Yes/No
Whether Reportable : Yes/No