

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

FAO No. 4215 of 2009 (O&M)
Date of Decision: 05.05.2011

Punjab State Civil Supplies Corporation Ltd. and another

...Appellants

Versus

M/s Ujjal Rice Mills and another

.....

Respondents

CORAM: Hon'ble Mr. Justice Rajesh Bindal

Present: Mr. C.S. Bakhshi, Advocate for the appellants.

Mr. S.P. Garg, Advocate for respondent No.1.

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RAJESH BINDAL, J.

Challenge in the present appeal is to the order dated 7.4.2009 passed by the learned court below whereby the objections filed by the appellants against the award of the Arbitrator, were dismissed.

It is a case where respondent No.1 was given certain paddy for milling. After the dispute having been arisen between the parties, the Arbitrator while deciding the claim of the appellants directed that the security amount deposited with the Corporation be adjusted towards the amount found due in the awarded amount. The appellants raised objections before the learned court below stating that the issue regarding security was never there before the Arbitrator.

Learned counsel for the appellant submitted that the amount involved is merely ₹ 30,000/-. He further submitted that he could not show anything from the record that in terms of Clause 10 of the agreement there was an order passed by the competent authority for forfeiture of the security.

Considering the amount involved there, the Corporation is wasting time in frivolous litigation and not taking care of number of cases pending before the Arbitrator where hundreds of crores of rupees are involved and the matters are pending from 1994-95. The awards already passed are being not executed. No action has been taken against the counsels or the officers who had not put in appearance before the Arbitrator for numerous dates and Arbitrator had to return the file with no award.

I do not find any merit in the present appeal. Accordingly, the same is dismissed.

(RAJESH BINDAL)
JUDGE

05.05.2011
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