

(1999) 05 SC CK 0093

In the Supreme Court Of India

Case No : Arbitration Petition No. 24 of 1998

Agio Countertrade Pte. Ltd.

APPELLANT

Vs

Punjab Iron and Steel Co. Ltd.

RESPONDENT

Date of Decision : 14-05-1999

Acts Referred:

Arbitration and Conciliation Act, 1996 — Section 11
Sick Industrial Companies (Special Provisions) Act, 1985 — Section 22

Citation : (2000) 100 CompCas 826 : (1999) 3 CTC 447 : (1999) 10 JT 248 :
(2004) 5 SCALE 821 : (1999) 5 SCC 734

Hon'ble Judges : Sujata V. Manohar, J

Bench : Single Bench

Final Decision : Allowed

Judgement

Sujata.V. Manohar, J.—Objection is over-ruled in view of the directions given by Hon'ble the Chief Justice of India.

2. This is an application u/s 11 of the Arbitration and Conciliation Act, 1996 for the appointment of an arbitrator. The application is made under the "Appointment of Arbitrators by Hon'ble the Chief Justice of India Scheme, 1996", framed pursuant to Section 11.

3. In the present case, under Sections 11(5) and (6), the Chief Justice or any person designated by him to take necessary measures is required to appoint an arbitrator as provided therein. It is not disputed by either side that the requirements of these sub-sections are complied with in the present case. It is, however, contended by learned Counsel for the respondent that since the respondent Company has been declared as a sick industrial company under the Sick Industrial Companies (Special Provisions) Act, 1985, and a scheme for the said Company has also been framed under the said Act, an arbitrator should not be appointed. The provisions of Section 22 of the Sick Industrial Companies (Special Provisions) Act, 1985 have been shown to me. The present proceedings, however, for the appointment of an arbitrator u/s 11 of the Arbitration and

Conciliation Act, 1996 have a very narrow scope and the same are not covered by Section 22 of the Sick Industrial Companies (Special Provisions) Act, 1985. If however, the respondents desire that the arbitration proceedings should not be proceeded with, it is open to them to take appropriate legal steps in that connection under the provisions of the Arbitration and Conciliation Act, 1996 and in accordance with law.

4. In the premises, by consent of both parties, Justice S. Ranganathan, retired Judge of the Supreme Court of India is appointed as sole arbitrator, as prayed for in the arbitration petition.