
(2009) 08 DEL CK 0306

In the Delhi High Court

Case No : Writ Petition (C) 2180 of 2008

Renujit Kaur and Another

APPELLANT

Vs

Union of India (UOI) and Another

RESPONDENT

Date of Decision : 07-08-2009

Acts Referred:

Arbitration and Conciliation Act, 1996 — Section 9

Citation : (2009) 08 DEL CK 0306

Hon'ble Judges : Sanjiv Khanna, J

Bench : Single Bench

Advocate : Pushkar Sood, Anshuman Sood and Kanchan Bala, for the Appellant; Abhinav Vasisht, Harshita Priyanka and Debojyoti Bhattacharya, for the Respondent

Final Decision : Disposed Off

Judgement

Sanjiv Khanna, J.—Subject matter of the present writ petition is the letter dated 22nd July, 2005 issued by Indian Oil Corporation Limited terminating dealership of the petitioner in respect of service station/petrol pump at Ring Road, Naraina, New Delhi. The said termination order has been passed in view of alleged false affidavit submitted by Mr. Kishan Chand at the time when he was inducted as a partner with Mr. Gurbaksh Singh on retirement of Mr. Bahadur Singh. Mr. Bahadur Singh is the father of Mr. Gurbaksh Singh.

2. The principal contention raised by the petitioners is that Mr. Bahadur Singh was allotted a licence to operate and run a petrol pump at the said site in 1969 and Mr. Gurbaksh Singh was inducted as a partner in 1973. It is stated that Mr. Gurbaksh Singh was not aware and had no knowledge that Mr. Kishan Chand already had a petrol pump in Ludhiana and had furnished a false affidavit, the reason why the respondent No. 2 Indian Oil Corporation Limited had cancelled the said dealership licence.

3. Counsel for the parties have brought to the notice of the Court that the

dealership agreement has an arbitration clause. The contentions raised by the petitioners are factual and may require recording of oral evidence and cross-examination.

4. Learned Counsel for the petitioners in view of the said position had asked for pass over to obtain instructions from the petitioner. Learned Counsel for the petitioner states that he has obtained instructions and the petitioner will invoke the arbitration clause for reference of their claims and disputes to arbitration. Learned Counsel for the respondent No. 2 admits that the agreement between them and the partnership firm of Mr. Gurbaksh Singh and Mr. Kishan Chand had an arbitration clause, viz., Clause 67. Learned Counsel for the respondent No. 2 further states that if any request for arbitration is made, the same will be considered. It is further stated that if an arbitrator is appointed, he shall hold arbitration proceedings at Delhi and an effort will be made to dispose of the arbitration proceedings within a reasonable time.

5. The writ petition is accordingly disposed of with the liberty to the petitioner to invoke the arbitration clause in accordance with law. The arbitration proceedings will be without prejudice to the rights and contentions of the parties and their respective stands. Parties will be at liberty to raise all claims and contentions before the arbitrator including the contentions raised in the pleadings in the present writ petition.

6. By order dated 18th March, 2008, this Court had passed interim order that anything done pursuant to public notice dated 10th September, 2007 shall be subject to the outcome of the writ petition. By public notice dated 10th September, 2007, the respondent No. 2 had invited applications for a new dealer in respect of the petrol pump. The said interim order will continue for a period of two months to enable the petitioner to move an application before the learned arbitrator, if appointed, for interim protection/stay or to approach the civil court u/s 9 of the Arbitration and Conciliation Act, 1996. During the period of two months, the respondent No. 2 will be entitled to continue with the present arrangement under which they are operating the petrol pump or have a fresh ad hoc arrangement for operation of the petrol pump without creating any third party dealership rights.

The writ petition is disposed of.

Dasti to counsel for both parties.