

2023 SCC OnLine P&H 440

In the High Court of Punjab and Haryana at Chandigarh
(BEFORE AVNEESH JHINGAN, J.)

Tej Service Station through Parshotam Dass (since
deceased) through LR ... Appellant;

Versus

Hindustan Petroleum Corporation Limited and
Others ... Respondents.

FAO No. 7439 of 2014

Decided on May 10, 2023

Advocates who appeared in this case:

Mr. P.S. Rana, Advocate and Mr. G.S. Rana, Advocate for the
appellant.

Mr. Prateek Singh, Advocate for Mr. Aman Arora, Advocate for
respondents No. 1 and 2.

The Judgment of the Court was delivered by

AVNEESH JHINGAN, J. (Oral):— This appeal under Section 37 of the
Arbitration and Conciliation Act, 1996 (for short 'the Act') is filed
aggrieved of dismissal of objections.

2. The facts in brief are that in 1970 M/s Tej Service Station was
allotted dealership for selling petroleum products at Moga. The firm at
that time consisted of three partners. One of the partner retired in 1988
and on an application moved on 01.06.1988 a fresh dealership
agreement was entered between the parties. In 1998, Mr. Ram Tirath
one of the partner retired from the partnership and inducted his son as
new partner. In view of new partnership deed, permission was sought
from Hindustan Petroleum Corporation (for short 'H.P.') for amending
the agreement. The request was denied, the outlet agreement was
terminated on 08.06.2001 on the grounds that the sale quantum had
dropped and that the appellant violated Clause 47 of the terms and
conditions by inducting third person without the permission of the H.P.
The arbitration proceedings initiated at the instance of the appellant
culminated in award dated 27.11.2006. The only claim allowed was that
the appellant be compensated for the oil stock recovered and recorded
on the day when the outlet was taken over by H.P. The compensation
was to be quantified on the prevailing prices in February, 2001. It was
further directed that the settlement and payment be done within 30
days of the award. The objections filed by the appellant were dismissed
on 27.02.2007, hence the present appeal.

3. The sole grievance raised by learned counsel for the appellant is that compensation for the stock in hand on the day of taking over the outlet should have been quantified by the Arbitrator. He on instructions submits that neither an execution was filed nor application under Section 33 of the Act for clarification of the award was made.

4. Learned counsel appearing for respondents No. 1 and 2 defends the impugned award.

5. The quantum of the oil and the details of the oil stock recovered were available with both the parties and the prices of the oil were controlled and the rate in February, 2001 would be evident from the official/public documents, the quantification of compensation can be done in the execution proceedings.

6. No case is made out for interference under Section 37 of the Act, the appeal is dismissed.

7. Needless to say that the appellant would be at liberty to avail remedies in accordance with law.

8. Since the main case has been dismissed, the pending application (s) if any is rendered infructuous.

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