

IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA.**Arbitration Case No. 812 of 2024 a/w
Arb. Case Nos. 815 and 834 of 2024****Date of decision: 31.07.2026**

Arb. Case No. 812 of 2024Divisional Manager, Himachal Pradesh State Forest Dev. Corp.
Ltd. ...Petitioner

Versus

Balwant Singh ...Respondent

Arb. Case No. 815 of 2024Divisional Manager, Himachal Pradesh State Forest Dev. Corp.
Ltd. ...Petitioner

Versus

Balwant Singh ...Respondent

Arb. Case No. 834 of 2024Divisional Manager, Himachal Pradesh State Forest Dev. Corp.
Ltd. ...Petitioner

Versus

Balwant Singh ...Respondent

*Coram****The Hon'ble Mr. Justice G. S. Sandhawalia, Chief Justice.****Whether approved for reporting?***For the Petitioner(s) :** Ms. Kiran Dhiman, Advocate.**For the Respondent(s):** Mr. Suraj Kumar, Advocate for Mr.
Balraj Singh, Advocate.

G. S. Sandhawalia, Chief Justice (Oral)

The present three arbitration petitions are being disposed of by way of common order since the respondent in all the cases remains the same.

2. In Arbitration Case No. 812 of 2024, the appointment of the arbitrator is sought on the basis of agreement dated 17.08.2021 (Annexure P-1) entered into between the petitioner-

Corporation and the respondent-Contractor for felling conversion, extraction and carriage of timber. The respondent did not perform his duty and the petitioner-Corporation vide letter dated 15.09.2021 asked the respondent to perform his work according to the agreement. Again vide letter dated 18.12.2021 (Annexure P-3), the petitioner-Corporation asked the respondent-Contractor to start felling/conversion work otherwise fine will be imposed. Since the respondent-Contractor had failed to complete his work as per agreement, it is averred that the petitioner-Corporation suffered huge loss and notice dated 04.03.2023 (Annexure P-4) has been issued. Thereafter, on 22.08.2023 & 08.09.2023 (Annexure P-6 (colly) notice was again issued to the respondent-Contractor about the loss of Rs. 9,44,000/- due to non-extraction of forest produce/trees and asked to deposit the same vide communication dated 27.02.2024 (Annexure P-7), but the same was not deposited by the respondent-Contractor.

3. As per the Clause 27 of the Contract, the matter was referred for arbitration to the Managing Director, H.P. State Forest Development Corporation Ltd.

4. Similarly in Arbitration Case No. 815 of 2024, the appointment of the arbitrator is sought on the basis of the agreement dated 18.04.2019 (Annexure P-1) entered into between the petitioner-Corporation and the respondent-Contractor for the extraction and carriage of resin. The respondent-Contractor did not perform the work according to the

agreement and the petitioner-Corporation vide communication dated 16.08.2019 (Annexure P-2) directed the respondent to do his work properly, but the respondent-Contractor failed to do so due to which, it is alleged that the petitioner-Corporation suffered huge loss. Petitioner-Corporation sent notice dated 21.10.2019 (Annexure P-4) to the respondent-Contractor and asked about the short-fall of extraction of resin. The respondent filed an affidavit stating therein that he would bear the cost of loss, but the respondent neither completed his work nor paid the loss suffered to the petitioner-Corporation. The petitioner-Corporation vide letter dated 30.03.2024 (Annexure P-9) requested the respondent-Contractor to deposit Rs. 8,84,914.00/- on account of loss suffered, but nothing has been done. Thereafter, petitioner-Corporation again sent notice dated 25.06.2024 (Annexure P-10) to the respondent and asked him to deposit the amount within one week, but the respondent-Corporation did not deposit the same.

5. As per Clause 35 of the Contract, the matter was referred for arbitration to the Managing Director, H.P. State Forest Development Corporation Ltd.

6. In Arbitration Case No. 834 of 2024, the appointment of the arbitrator is sought on the basis of agreement dated 22.04.2021 (Annexure P-1) entered into between the petitioner-Corporation and the respondent-Contractor for felling, conversion, extraction and carriage of resin. The respondent-

Contractor did not perform the work according to the agreement and the petitioner-Corporation sent notice dated 14.09.2021 (Annexure P-2) to the respondent-Contractor to the effect that petitioner-Corporation had suffered huge loss. Thereafter, various communications had been made to the respondent-Contractor, but of no avail. Thereafter, petitioner-Corporation sent recovery notice dated 20.09.2023 (Annexure P-5) to the respondent-Contractor. Vide letter dated 25.06.2024 (Annexure P-6), the petitioner-Corporation again requested the respondent-Contractor to deposit the recovery amount of Rs. 3,39,582/-, but nothing had been deposited by the respondent-Contractor.

7. As per Clause 35 of the Contract, the matter was referred for arbitration to the Managing Director, H.P. State Forest Development Corporation.

8. In such circumstances, as the parties have agreed to resolve the matter by way of arbitration to conclude the proceedings which had already been initiated, the present petitions are allowed and Mr. Raman Jamalta, Advocate (Mob. No. 9805400010), who is present in Court is appointed as Arbitrator to adjudicate the dispute between the parties, after his disclosure in writing is obtained in terms of Section 11(8) of the Act and only after receipt thereof, his appointment, as an Arbitrator, shall come into force.

9. On his giving consent to arbitrate the dispute between the parties as an Arbitrator, Mr. Raman Jamalta,

Advocate, shall enter into reference, and pass an award in accordance with law.

10. Copy of this order be furnished to the learned counsel for the parties and also to the learned Arbitrator. The learned Arbitrator so appointed shall be entitled to fee as per stipulation contained in 4th Schedule appended to the Arbitration and Conciliation Act, 1996.

11. Accordingly, the petitions are disposed of, so also pending applications, if any.

(G. S. Sandhawalia)
Chief Justice

31st July, 2026_(sanjeev)