

**HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT JAMMU**

CJ Court

Case No: Arb P No. 67/2023

M/S Trikuta Builders

...Petitioner(s)/Appellant(s)

Through: Mr. Ankush Manhas, Advocate

v/s

Jammu Municipal Corporation and Anr.

.... Respondent(s)

Through: Mr. Mayank Gupta, Advocate

CORAM: HON'BLE THE CHIEF JUSTICE

ORDER
28.11.2025

(ORAL)

01. This is an application filed under Section 11 of the Arbitration and Conciliation Act, (for short '**the Act**') seeking appointment of an independent arbitrator.

02. Briefly stated, the office of the Joint Commissioner (Works) Jammu Municipal Corporation Jammu floated an e-NIT No. 62P of 2021-22 for an amount of ₹4,82,95,650/- "**for Engineering, Procurement and Construction Contract for Modernization of Old Sabzi Mandi Jammu**". The petitioner participated in the tendering process and respondent no.2-the Joint Commissioner allotted the aforesaid work to the petitioner vide letter No. MJ/JC/W/88-93 dated 18.04.2022. For the said allotment, the petitioner deposited the performance security of ₹14,49,000/- and arranged men, machinery, equipments and materials for execution of the work.

The work was foreclosed by the Joint Commission vide his letter dated MJ/JC/W/863-64 dated 28.07.2022 due to the dispute at the site. It is submitted that owing to the said foreclosure, the petitioner suffered loss of about ₹1,04,27,666/- due to engaged men power, machinery, advances paid to labour material etc. The petitioner vide letter dated 28.02.2023 requested for the redressal of the disputes that arose between the parties and for an appointment of an arbitrator but the same remained unanswered by the respondents. Hence this petition.

03. Pursuant to the notice issued by the Court, the respondents had caused appearance and filed their response.

04. In brief what is sought to be urged is that as a result of the dispute on account of the objections raised by the local shopkeepers, the agreement between the parties was not executed and finally the concerned authority had foreclosed the allotment and since no agreement had been executed, the petition is not maintainable. In addition, the present petition filed under Section 11 of the Act was not maintainable as the arbitration agreement provided that dispute if any should be referred to Commissioner Jammu Municipal Corporation.

05. The existence of the Disputes Resolution Mechanism in the Clause No. 13 of the contract and its invocation by the petitioner vide notice dated 28.02.2023 is not disputed.

06. After having argued the matter at some length and in the given circumstances, learned counsel for the respondents, as always, fairly submits that let an arbitrator be appointed. But, since the claim that is sought to be made by the petitioner is vehemently disputed/ denied, it is submitted that respondent be

granted liberty to raise all possible pleas/ objections before the arbitral tribunal/ arbitrator in this regard.

07. Accordingly, in the wake of the position sketched out above and in terms of the statements made by the learned counsel for the parties, the petition is allowed. And, with consent of learned counsel for the parties, **Mr. Sunit Gupta, Retired District and Sessions Judge, Jammu (9419162400)** is appointed as the sole arbitrator. Who shall proceed with the matter in accordance with the provisions of the Act. And to make an award within the time provided in the Act itself after charging the prescribed fee along with incidental expenses to be shared by the parties. The respondents are at liberty to raise all the objections as regards the subject matter before the learned Arbitrator.

08. Registry to send a copy of this order to the learned arbitrator.

Jammu:
28.11.2025
Sunita/Secy.

(ARUN PALLI)
CHIEF JUSTICE