

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

CJ Court

Case: Arb P No. 105/2025

M/s Mangotra Tent and Light House. ...Petitioner(s)/Appellant(s)

Through: Mr. F A Natnoo, Advocate.

V/s

UT of J&K and anr. Respondent(s)

Through: Ms. Monika Kohli, Sr. AAG with
Ms. Priyanka Bhat, Assisting Counsel.

CORAM: HON'BLE THE CHIEF JUSTICE

ORDER
05.12.2025

(ORAL)

01. The present petition has been filed by the petitioner under Section 11 of the Arbitration and Conciliation Act, 1996, (for short '**the Act**') seeking appointment of an independent Arbitrator.

The petitioner, being a Firm duly registered with the Department of Labour, Government of Jammu and Kashmir, was declared successful for a tender, floated by the respondents vide NIT No. 18 of 2012-14 dated 02.10.2013, for "**running Yatri Niwas, Bagwati Nagar, Jammu for five years excluding the period of Shri Amar Nath ji Yatra**" having offered highest bid as a franchise fee of ₹9,25,000/- as against the minimum franchise fee fixed by the Tourism Department i.e., ₹9,00,000/-. An agreement dated 01.09.2014 came to be executed between the parties containing Clause 7 wherein it was provided that the petitioner was required to pay electricity and water charges and other taxes on *pro rata* basis directly to respondent no.2 on the rates in vogue or on the basis of the reading shown in the Sub-meter. It is submitted that the petitioner after taking the possession of the building, it came to its knowledge that in view of the

electricity used for the earlier period, the authorities-Power Development Department snapped the electricity connection to the Yatri Niwas for which the petitioner had to suffer huge losses as no business was conducted in absence of the electricity for the years 2015-2016. The said dispute was brought to the notice of the respondents through several communications but no response was accorded. However, the then Director Tourism, Jammu vide his communication 24.02.2016 to Secretary to Government, Tourism Department, Jammu, conveyed the accumulation and allocation of ₹30.00 lac electricity charges in respect of Yatri Niwas Bhagwati Nagar, Jammu, but the said communication was not responded. Facing this dispute, the petitioner handed over the allotted building to the respondent no.2 and submitted various representations for redressal of his grievance. The said representations of the petitioner were not considered.

The petitioner finally vide communication dated 05.10.2022 issued a notice to the respondents seeking appointment of an arbitrator giving the complete details of the disputes But the respondents did not accede to any of the requests. Hence this petition.

02. Heard. Notice.

03. Served with advance copy of the petition, Ms. Monika Kohli, learned Senior Additional Advocate General, present in Court, accepts notice on behalf of respondents.

04. The existence of the arbitration clause, as aforesaid, and its invocation by the petitioner vide notice dated 05.10.2022, is not disputed.

07. Thus, 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.

08. 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, Sh. **Sunit Gupta, Retired District and Sessions Judge Jammu (Mobile No. 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.

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

Jammu
05.12.2025
Sunita/Secy.



(ARUN PALLI)
CHIEF JUSTICE