

IN THE HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT SRINAGAR

Arb P No. 48/2024

Date of Pronouncement: 05.12.2025

Uploaded on: 08.12.2025

SHAH TECHNICAL CONSULTANTS
PRIVATE LIMITED, 407, RAHEJA
CENTRE, PLOT No. 214, NARIMAN
POINT, MUMBAI-400 021

THROUGH ITS AUTHORIZED
REPRESENTATIVE SH. AVISHAKE
SINGH JAMWAL, PROJECT
COORDINATOR, SHAH
TECHNICAL CONSULTANTS
PRIVATE LIMITED, PROJECT
OFFICE AT PLOT No. 206, 1ST
FLOOR, SECTOR-2, CHANNI
HIMMAT, JAMMU ...PETITIONER(S)

Through: Mr. Parvesh Singh Salaria, Advocate (Through V.C)

Vs.

UT OF J&K THROUGH CHIEF ENGINEER
JAL SHAKTI (PHE) DEPARTMENT NEW
ENGINEERING COMPLEX, SILK ROAD,
RAJ BAGH, SRINAGAR, KASHMIR ...RESPONDENT(S)

Through: Mr. Jahangir Ahmad Dar, GA

CORAM:

HON'BLE MR. JUSTICE SANJEEV KUMAR, JUDGE

JUDGMENT

05.12.2025

1. This is a petition filed by *Shah Technical Consultants Private Limited* under Section 11(6) of the Arbitration & Conciliation Act, 1966, ["the Act"] seeking appointment of an independent Arbitrator.

FACTUAL MATRIX:

2. The UT of J&K, the respondent herein, initiated a UT level Project Development & Management Consultancy [“PDMC”] for Atal Mission for Rejuvenation and Urban Transformation [“AMRUT 2-0”]. The main objective of the project was to provide potable drinking water tap connections to new households, ensure universal household coverage of sewerage and septage services in 500 AMRUT Cities in India, rejuvenation of water bodies & development of green spaces and parks around such water bodies etc., etc.
3. The petitioner participated in the bidding process and was appointed as the PDMC for AMRUT-2.0 Project launched by the Government of India in UT of Jammu & Kashmir vide Allotment Order No. CE/PHEK/01 of 2023-24/12352-417 dated 12.07.2023 issued by the Chief Engineer, Jal Shakti, Kashmir. The parties also signed an agreement on 13th July, 2023.
4. The scope of the work included Design, Estimation, Procurement, Supervision and Project Management for AMRUT-2.0 in the Jammu & Kashmir Region. The contract was valued at Rs. 27.18 crores approximately which was to subsist for a period of 34 months. The petitioner, as is claimed, at the time of engagement, had provided a bank guarantee for an amount of Rs. 81.54 lacs as security in terms of the agreement. It is claimed by the petitioner that right from the very beginning, the petitioner faced difficulties in smooth execution of the assigned job. There was delay on the

part of Jal Shakti, Department in getting approval of the Project Feasibility Reports from the Government of India. It is submitted that Project Feasibility Reports were received by the petitioner only on 1st August, 2023 for some projects, and for rest these were received in the month of September, 2023.

5. It is submitted that despite the difficulties created by the respondent, the petitioner was able to deliver 73 Detailed Project Reports complete in all respects, out of which the respondent approved 49 projects. It is further submitted that the petitioner also completed 81 project surveys which were communicated to the respondent for approval. It is alleged that despite making significant progress, the petitioner did not receive payment amount to the tune of Rs. 6.88 crores and, therefore, requested the respondent to clear its dues. It is alleged by the petitioner that the respondent instead of clearing the dues initiated termination of the contract vide communication dated 18th July, 2024 citing delays and quality concerns.
6. It is submitted by the learned counsel for the petitioner that the termination notice was challenged in Arbitration Petition filed under Section 9 of the Act before the Civil Court, and the Civil Court vide order 24th July, 2024 granted an interim stay restraining the respondent from unilaterally terminating the contract or invoking the banks guarantee pending resolution of disputes through arbitration.

7. In view of the aforesaid differences, the petitioner claims that he was constrained to serve a notice dated 8th August, 2024 upon the respondent for appointment of an Arbitrator. However, the

respondent did not act upon the said notice nor agreed to the appointment of the Arbitrator in terms of Clause 15 of the Contract. Having failed to persuade the respondent to appoint an Arbitrator to resolve the disputes arising out of the contract, the petitioner has filed the instant petition.

8. The petition has been resisted by the respondent by filing objections. In the objections, the Arbitration Clause i.e. Clause 15 of the Contract agreement has not been disputed. It is also not disputed that the respondent had initiated the process for termination of the contract due to delay and other acts & omissions of the petitioner. They, however, claim that the invoices/bills raised by the petitioner have been sent to the concerned divisions for verification and, therefore, the decision with regard to payment, if any, to be made to the petitioner would be taken accordingly.

CONCLUSION:

9. Having heard learned counsel for the parties and perused the pleadings, it clearly comes to fore that the dispute between the petitioner and the respondent has arisen out of the contract agreement executed between the parties. The contract agreement contains an Arbitration Clause i.e. Clause 15, in which the parties have agreed upon a procedure to appoint the Arbitrators. Since the respondent has not responded to the notice issued by the petitioner for appointment of an Arbitrator in terms of Clause 15, as such, the petitioner has approached this Court in terms of Section 11(6) of the Act for appointment of the independent Arbitrator.

10. In view of the aforesaid undisputed position, this petition is allowed and **Justice Tashi Rabstan, former Chief Justice of this Court**, is appointed as a sole Arbitrator to arbitrate the disputes in accordance with law. He shall enter upon reference immediately upon receipt of this order and proceed in the matter to pass the award within a stipulated period.

11. The Registry shall convey a copy of this order to the learned Arbitrator appointed herein to arbitrate the disputes that have arisen between the parties.

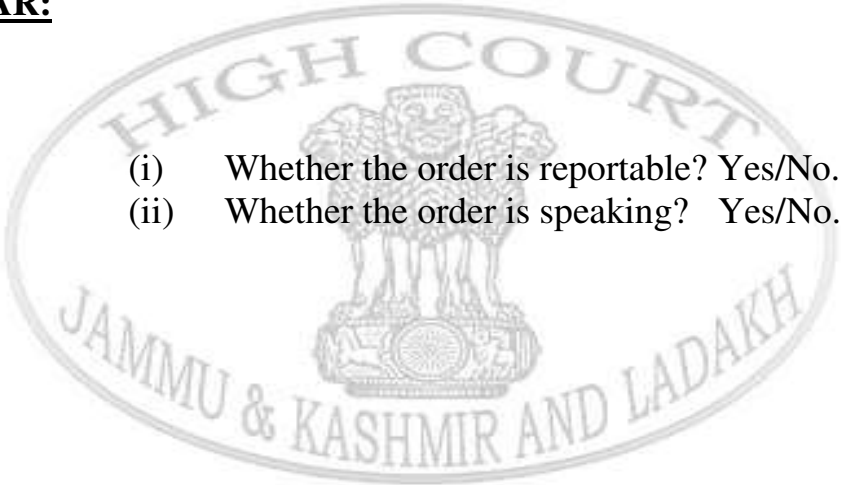
12. Disposed of.

(SANJEEV KUMAR)
JUDGE

SRINAGAR:

05.12.2025

"ARIF

- 
- (i) Whether the order is reportable? Yes/No.
 - (ii) Whether the order is speaking? Yes/No.