

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

Arb P No. 05/2025

Updated on 31.01.2026

Shekhar Enterprises Engineer and
Builder Contractor

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

Through: Mr. G. S. Thakur, Advocate
Vs

University of Jammu and others

..... Respondent(s)

Through: M. Gagan Kohli, Advocate vice
Mr. Ajay Abrol, Advocate

Coram: HON'BLE MR. JUSTICE RAJNESH OSWAL, JUDGE

ORDER
30.01.2026

1. The petitioner was allotted contract work for the construction of a Girls' Hostel (Civil and Sanitary work), at the Kathua Campus of Jammu University, pursuant to an agreement dated 29.01.2013 executed between the petitioner and the Executive Engineer of respondent No. 1. The petitioner has contended that there was a delay in the execution of the work owing to one reason or another. However, in terms of letter dated 19.05.2014 issued by the Assistant Executive Engineer, it was confirmed that the work actually commenced on 04.11.2013 after the site was made available to the contractor. It is further stated that the petitioner completed the work and raised the claims amounting to Rs. 43,31,861/- including the earnest money and 10% reserve on work done, however, the said payment was not released. It is also stated that the petitioner is entitled to claim an amount of Rs. 2.76 Cr. alongwith interest @ 18%.

2. The petitioner claims to have made various representations to the respondents, seeking release of the payment or, in the alternative, referral of the dispute to the arbitrator, but to no avail. The petitioner has placed on record a communication dated 21.10.2024 requesting settlement of the dispute or in the alternative treat the same as a notice invoking arbitration in terms of condition No. 26 of General Conditions of Contract forming part of the contract agreement. On the basis of these facts, the petitioner has sought appointment of an arbitrator to adjudicate the dispute arising out of the NIT No. UWD/12-13/3987-97 dated 23.01.2013.
3. The respondents have filed their response stating therein that the petitioner was required to complete the contract work within a period of twelve months as per the terms and conditions of the contract agreement, but inordinate delay was caused by the petitioner itself in execution of the work. It is further stated that the contract provides that any dispute, doubt, difference, or question of any kind, except certain matters, shall be referred to the Vice Chancellor, who has to act as an Arbitrator. The respondents have denied that they are under any obligation to pay the amount claimed by the petitioner.
4. Heard learned counsel for the parties and perused the record. .
5. The existence of the arbitration agreement is not disputed by the respondents. In view of the admitted existence of an arbitration agreement and the failure of the respondents to refer the dispute to arbitration despite due notice, this Court finds that the pre-conditions for invocation of jurisdiction under Section 11 of the Arbitration and Conciliation Act, 1996 stand satisfied. Although it is the stand of the respondents that Vice

Chancellor has to act as an Arbitrator, the learned counsel for the respondents has fairly conceded that the said course is impermissible due to subsequent amendment.

6. It is well settled that where a named Arbitrator becomes ineligible or is unable to act, an independent and impartial Arbitrator can be appointed to ensure adjudication of the disputes between the parties. The disputes raised by the petitioner arise out of the execution of the contract and are arbitrable in nature. Accordingly, Mr. Sobha Ram Gandhi, former District and Sessions Judge, UT of J&K & Ladakh, is hereby appointed as the Sole Arbitrator to adjudicate the disputes between the parties arising out of NIT No. UWD/12-13/3987-97 dated 23.01.2013 and the agreement dated 29.01.2013.
7. The learned Arbitrator shall enter upon the reference after furnishing the disclosure as required under Section 12(1) of the Arbitration and Conciliation Act, 1996 and shall conduct the arbitral proceedings in accordance with the provisions of the Act. The fee of the learned Arbitrator shall be governed by the Fourth Schedule of the Act, unless otherwise agreed between the parties.
8. The Registry shall send a copy of this order to the learned Arbitrator forthwith.
9. The petition stands disposed of in the above terms.

(Rajnish Oswal)
Judge

JAMMU
30.01.2026
Karam Chand

Whether the order is speaking:	Yes/No
Whether the order is reportable:	Yes/No