



CNR: KAHC010371542026

NC: 2026:KHC:55542
CMP No. 267 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 6TH DAY OF OCTOBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

CIVIL MISC. PETITION NO. 267 OF 2026

BETWEEN:

M/S PBI CONSTRUCTION COMPANY
A COMPANY INCORPORATED UNDER
THE PROVISIONS OF THE COMPANIES ACT, 1956
HAVING ITS REGISTERED OFFICE AT
BUNDER ROAD, BHATKAL 581 320
REP. BY ITS AUTHORIZED SIGNATORY.

...PETITIONER

(BY SMT. ASHWINI N RAVINDRA, ADVOCATE. FOR
SMT. SUMANA NAGANAND., ADVOCATE)

AND:

STATE OF KARNATAKA
NATIONAL HIGHWAYS PUBLIC WORKS
PORTS AND INLAND WATER
TRANSPORT DEPARTMENT
NATIONAL HIGHWAYS (SOUTH ZONE)
2ND FLOOR, PWD ANNEXURE BUILDING
KR CIRCLE, BENGALURU - 560 001
REP. BY ITS CHIEF ENGINEER

...RESPONDENT

(BY SRI.M RAJA KUMAR, AGA FOR RESPONDENT)

THIS CMP IS FILED UNDER SECTION 11(5) OF
ARBITRATION AND CONCILIATION ACT 1996 PRAYING TO
APPOINT AN ARBITRAL TRIBUNAL IN TERMS OF CLAUSE 25.3
OF GENERAL CONDITIONS OF CONTRACT AND CLAUSE 3 OF
THE SPECIAL CONDITIONS OF CONTRACT OF AGREEMENT NO.

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HAREKOPPA THIMMANNA GOWDA





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11/2017 DATED 02.06.2017 AT ANNEXURE B TO ADJUDICATE
THE DISPUTES BETWEEN PETITIONER AND RESPONDENT.

THIS PETITION, COMING ON FOR ADMISSION, THIS DAY,
ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

ORAL ORDER

1. This petition is filed under Section 11(5) of the
Arbitration and Conciliation Act, 1996 (for short, "the
Act"), seeking following reliefs:

*a) Appoint an Arbitral Tribunal in terms of Clause
25.3 of General Conditions of Contract and Clause 3
of the Special Conditions of Contract of Agreement
No. 12/2017 dated 02.06.2017 at Annexure-B to
adjudicate the disputes between Petitioner and
Respondent;*

b) Award costs of the present proceedings; and

*c) Pass such other order(s) as this Hon'ble Court may
deem fit in the facts and circumstances of the case,
in the interest of justice and equity*

2. The brief facts of the case are that on 09.01.2017,
respondent invited tender for the work of
'improvements/widening to 4-Lane divided carriageway to



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road from Jubilee circle at KM 427.68 to Narendra bypass at KM 433.30 in Dharwad city limits in the State of Karnataka' vide Annexure-A. Since the petitioner was the successful lowest bidder, respondent awarded the tender to petitioner and issued Letter of Acceptance in favour of petitioner on 26.04.2017. Thereafter, parties entered into an Agreement on 02.06.2017 vide Annexure-B. Subsequently, disputes arose between the parties in relation to the said Contract.

3. As the disputes arose between the parties, the petitioner, invoking the Arbitration clause contained in the Contract at Annexure-A, issued a notice dated 23.04.2026, vide Annexure-F, to the respondent under Section 21 of the Act. The said arbitration clause 25.3 of General conditions to contract refers to arbitration procedure stated in clause 3 of Special Conditions of Contract, which reads as under:

"25.3 (a) In case of Dispute or difference arising between the Employer and a domestic

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contractor relating to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Arbitration and Conciliation Act, 1996. The parties shall make efforts to agree on a sole arbitrator and only if such an attempt does not succeed and the Arbitral Tribunal consisting of 3 arbitrators one each to be appointed by the Employer and the Contractor and the third Arbitrator to be chosen by the two Arbitrators so appointed by the Parties to act as Presiding Arbitrator shall be considered. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus within a period of 30 days from the appointment of the arbitrator appointed subsequently, the Presiding Arbitrator shall be appointed by the Council, Indian Roads Congress.

*(b) The Arbitral Tribunal shall consist of three Arbitrators one each to be appointed by the Employer and the Contractor. The third Arbitrator shall be chosen by the two Arbitrators so appointed by the Parties, and shall act a presiding arbitrator. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus within period of 30 days from the appointment of the arbitrator appointed subsequently, the Presiding arbitrator shall be appointed by the * Council, Indian Roads Congress.*

(c) If one of the parties fails to appoint its arbitrator in pursuance of sub-clause (a) and



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*(b) above within 30 days after receipt of the notice of the appointment of its arbitrator by the other party, then the * Council, Indian Roads Congress shall appoint the arbitrator. A certified copy of the order of the Council, Indian Roads Congress, making such an appointment shall be furnished to each of the parties.*

(d) Arbitration proceedings shall be held in India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.

(e) The decision of the majority of arbitrators shall be final and binding upon both parties. The cost and expenses of Arbitration proceedings will be paid as determined by the arbitral tribunal. However, the expenses incurred by each party in connection with the preparation, presentation, etc. of its proceedings as also the fees and expenses paid to the arbitrator appointed by such party or on its behalf shall be borne by each party itself.

(f) Performance under the contract shall continue during the arbitration proceedings and payments due to the contractor by the owners shall not be withheld, unless they are the subject matter of the arbitration proceedings."



4. Despite service of the said notice, the respondent did not furnish any response. Hence, the present petition is filed seeking appointment of a sole Arbitrator.

5. The learned AGA appearing for the respondent on instructions submits that respondent has no objection to the appointment of sole Arbitrator. However, he seeks that all the contentions of the parties be kept open to be urged before the learned Arbitrator.

6. Having regard to the existence of the arbitration clause contained in the Agreement, which provides for resolution of disputes arising between the parties, and the fact that the petitioner has duly invoked the said arbitration clause by issuing notice under Section 21 of the Act, this Court is of the opinion that a Sole Arbitrator is required to be appointed for adjudication of the disputes between the parties.



7. Accordingly, the following:

ORDER

- a) Civil Miscellaneous Petition is **allowed**.
- b) Hon'ble Mr.Justice Rajendra M. Badamikar, Former Judge, High Court of Karnataka, is appointed as the Sole Arbitrator in the present case to arbitrate the disputes between the parties at the Arbitration and Conciliation Centre (Domestic & International), Bengaluru, as per the Rules governing the said Arbitration Centre.
- c) All the claims and contentions of the parties are left open.
- d) Registry is directed to communicate this order via e-mail to the Arbitration and Conciliation Centre (Domestic & International), Khanija Bhavan, Bengaluru, and also to Hon'ble Mr.Justice Rajendra M. Badamikar.
- e) Registry is directed to return all the original documents produced by any of the parties after obtaining Photostat copies of the same.



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- f) Parties are directed to appear before the
Director, Arbitration and Conciliation Centre,
Bengaluru, on 05.11.2026 at 11:30 a.m.

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(H.T. NARENDRA PRASAD)
JUDGE

DM
LIST NO.: 1 SL NO.: 16