



ARB-264-2023 (O&M)

-1-

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

103+223

ARB-264-2023 (O&M)

Date of Decision: 19.12.2024

Kamal Kishore Aggarwal

...Applicant

Versus

Rajesh Kumar Aggarwal and others

...Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: - Mr. Vishal Gupta, Advocate for the applicant
Mr. Vikas Gupta, Advocate for respondent Nos.1 and 3
Mr. S.S. Behl, Advocate for respondent No.2
Mr. N.S. Siwatch, Advocate for Mr. Ranjan Aggarwal

JAGMOHAN BANSAL, J. (Oral)

1. Through instant application under Section 11(6) of the Arbitration and Conciliation Act, 1996 (for short '**1996 Act**'), the applicant is seeking appointment of an Arbitrator.

2. The parties entered into Family Settlement Arrangement dated 30.07.2021. A dispute erupted between the parties. There is an arbitration clause in the aforesaid settlement. Service of notice under Section 21 of 1996 Act is not disputed.

3. Learned counsel for respondent No.2 submits that the applicant has made additions in the Family Settlement Arrangement. It has become a forged document. This Court should not make appointment of an Arbitrator because there is forgery on the part of applicant. He has not placed on record original Family Settlement Arrangement allegedly executed between the



questions are involved and there is allegation of fraud, the matter should not be referred to Arbitral Tribunal.

4. *Per contra*, learned counsel for the applicant submits that as per Clause 2 and 5 of the Family Settlement Arrangement, ownership of partnership firm, namely M/s Shield Alloy Products, G.T. Road, Maqboolpura Chowk, Amritsar and shareholding of M/s Shield Engineering Private Limited had to be transferred to Raman Kumar-respondent No.2. The parties to the settlement have complied with their commitment meaning thereby respondent No.2-Raman Kumar has already derived benefit arising out of Family Settlement Arrangement.

5. Learned counsel for respondent Nos.1 and 3 concedes that Family Settlement Arrangement comprising of arbitration clause was executed between the parties and all the parties have already partially/primarily acted upon.

6. I have heard the arguments of learned counsel for the parties and perused the record with their able assistance.

7. Respondent No.2 in terms of settlement, had to get shareholding of M/s Shield Engineering Private Limited and one Director had to resign from the company. Respondent No.2 has already got shareholding of the said company and another Director as per agreement has resigned. Respondent No.2 has also got control over partnership firm because another partner has resigned. It means parties have already acted upon the Family Settlement Arrangement executed between them. Thus, this Court, at this stage, cannot form conclusive opinion to the effect that there is

forgery on the part of applicant and the matter should not be referred to



Arbitral Tribunal. In view of judgment of Supreme Court in ***Cox & Kings Limited v. SAP India Private Limited and another, (2024) 4 SCC 1***, it is the Arbitral Tribunal which has to adjudicate all the issues raised by parties including manipulation of Family Settlement Arrangement

8. Conditions to invoke power conferred by Section 11(6) of 1996 Act stand satisfied, thus, I hereby appoint a sole Arbitrator to adjudicate the dispute between the parties.

9. Mr. Justice Virender Singh, Former Chief Justice of Jharkhand High Court, residing at House No.233, Sector 11-A, Chandigarh, Mobile No.09431115601 is hereby appointed as a Sole Arbitrator to adjudicate the dispute between the parties, subject to compliance of statutory requirements. The learned Arbitrator is requested to comply with mandate of Section 12 of 1996 Act before proceeding further.

10. Parties are directed to appear before the learned Arbitrator on date, time and place to be fixed by the Arbitrator at his convenience.

11. The Arbitrator shall be paid fee in accordance with the Fourth Schedule of the Act, as amended.

12. The Arbitrator is requested to complete the proceedings as per time limit specified under Section 29-A of the 1996 Act.

13. Needless to mention, parties would be at liberty to raise all the claims/defences/counter claims/pleas before the Arbitrator. Any observation made hereinabove will not be binding on the learned Arbitrator.

14. Pending application(s), if any, shall stand disposed of.



ARB-264-2023 (O&M)

-4-

15. A request letter along with copy of this order be sent to Mr. Justice Virender Singh.

(JAGMOHAN BANSAL)
JUDGE

19.12.2024

Mohit Kumar

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No