

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

Arb P No.54/2024

Arya Samaj Hazuri Bagh Trust ...Petitioner(s)/Appellants.

Through: Mr. Viqas Malik, Advocate.

Vs.

Sami Ullah Dagga and another.Respondent(s)

Through: Mr. Zahid Ahmad Khan, Advocate.

**CORAM:
HON'BLE THE CHIEF JUSTICE**

ORDER
31.10.2025

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking appointment of an arbitrator.

2. The petitioner, a charitable trust, is the owner of a property at Hazuri Bagh, Srinagar, and had rented out a shop to the respondent No. 01 through a rent deed dated 30.07.2021 for a period of three years from 01.12.2020 to 02.12.2023, against a lump sum rent of Rs. 10,00,000/-. Apart from the rent amount so agreed between the parties, a license fee for the demised premises was fixed at Rs. 1,000/- per month to be paid by the respondent No. 01 in favour of the petitioner.

After the expiry of the tenancy, the respondent No. 01 is stated to have requested for an extension of the rent agreement. The request so made by the respondent No. 01 was acceded to by the petitioner orally on certain conditions that the license fee would be revised and enhanced by 15%; that any extension would be made solely on the basis of a written contract only; that an amount of Rs. 10,00,000/- would be paid as a one-time amount for

next three years and that the arrears with enhancement would have to be cleared before the next fresh agreement is entered between the parties.

It is urged that respondent No. 01, though, having requested for extension/renewal of the rent agreement for a further period of three years, has not acted upon the conditions orally made by the petitioner before entering into a formal rent agreement and, thus, continues to be under illegal and unauthorized possession of the demised premises. It is stated that the respondent No. 01 being under illegal occupation of the premises is also liable to pay the rent at the market rate @ Rs. 50,000/- for the period he continues to hold the demised premises illegally under its possession.

The petitioner being aggrieved of the actions of the respondent invoked arbitration Clause 15 of the agreement and served a legal notice/notice dated 30.09.2024 upon the respondent for appointment of an arbitrator to settle his claims. It is submitted that despite having received the legal notice, the respondent has neither replied nor appointed any arbitrator.

3. Pursuant to the notice issued by this Court, the respondents though caused appearance through Mr. Zahid Ahmad Khan, Advocate, but no reply/response has been filed on their behalf.

4. The existence of the arbitration clause, as aforesaid, and its invocation by the petitioner vide notice dated 30.09.2024 is not disputed.

5. Thus, 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 respondents be granted liberty to raise all possible pleas/ objections before the arbitral tribunal/ arbitrator in this regard.

6. 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, Mr. A. R. Malik, Advocate, High Court of Jammu & Kashmir and Ladakh,

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.

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

(ARUN PALLI)
CHIEF JUSTICE

Srinagar

31.10.2025

Abdul Qayoom, Secy.

