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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

ARB-199-2025 (O&M)
Date of Decision: 11.11.2025

M/S SHREE OM ENGINEERS AND ANOTHER

....Petitioner(s)

Versus

ROBUS LANDCORP PRIVATE LIMITED AND OTHERS

.....Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Sirat Sapra, Advocate, for the petitioners.

Mr. Ramandeep Singh, Advocate for
Mr. H.S. Multani, Advocate, for the respondents.

JASGURPREET SINGH PURI, J. (Oral)

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act') praying for appointment of an independent Arbitrator to adjudicate the disputes and differences which have arisen between the parties pertaining to an agreement entered into between the parties.

2. Learned counsel appearing on behalf of the petitioner submitted that there was a contract between the petitioners and the respondents for the construction of commercial project (Civil-Structure Works) -Roselyn Square near Dhillon Theatre at PR-07, 200 ft. wide Airport Road Zirakpur, Punjab and in the aforesaid contract/agreement, there was an arbitration clause at para No.33, which is reproduced as under:-



“33. ARBITRATION

a. In case of any dispute arises out of this contract the same shall be referred to the mutually agreed arbitrator under 1996 act of Arbitration and the place of arbitration is at district S.A.S Nagar Mohali only.

b. The civil Courts at Derabassi and Mohali have only jurisdiction.

3. Learned counsel submitted that a dispute arose between the parties and the contract was terminated by the respondents in the year 2020 and thereafter, a Civil Suit was filed by the petitioners but on an application filed by the respondents under Section 8 of the Act, the parties were referred to arbitration. In this way, a notice was issued to the respondents vide Annexure P-17 dated 21.01.2025 by invoking the aforesaid clause for appointment of an Arbitrator in terms of the aforesaid agreement but the respondents never replied to the same and therefore, the present petition has been filed for appointment of an Arbitrator in terms of the aforesaid arbitration clause, which is a valid existing clause.

4. On the other hand, learned counsel appearing on behalf of the respondents submitted that there is no dispute that an agreement was entered into between the parties and there is also no dispute regarding the existence of the aforesaid arbitration clause. However, the objection of the respondents is that the contract stood terminated in the year 2020 and there has been a delay of about four years in issuance of the aforesaid notice by invoking the arbitration clause and there has been a delay in seeking arbitration and therefore, the same is barred by limitation and even the claim is also barred by limitation.



5. I have heard the learned counsel for the parties.

6. The agreement between the parties as well as the arbitration clause is not disputed by any of the parties before this Court. The only objection raised by the learned counsel for the respondents is that since the contract was terminated and a break even point had reached on 18.08.2020 by way of termination of the contract, the present petition under Section 11 of the Act is not maintainable, being barred by limitation. This Court is not able to agree with the learned counsel for the respondents in view of the law laid down by the Hon'ble Supreme Court in ***SBI General Insurance Co. Ltd. Versus Krish Spinning, 2024 SCC Online SC 1754***. The law in this regard is well settled. The period of limitation for invoking the provisions of Section 11 of the Act would start from the time when notice for invocation of the arbitration clause is issued. Admittedly, the notice has been issued vide Annexure P-17 in January 2025 and as per the learned counsel for the parties, no notice has been issued prior to that and therefore, the present petition cannot be said to be barred by limitation. In other words, the limitation will not start from the year 2020 when the contract was allegedly terminated but from the time when the arbitration clause is invoked through issuance of notice. The relevant portion of the judgment of the Hon'ble Supreme Court in ***SBI General Insurance Co. Ltd.'s case (Supra)*** is reproduced as under:-

“127. In Arif Azim (supra), while deciding an application for appointment of arbitrator under Section 11(6) of the Act, 1996, two issues had arisen for our consideration:

i. Whether the Limitation Act, 1963 is applicable to an for appointment of arbitrtator under Section 11(6) of the



Arbitration and Conciliation Act, 1996? If yes, whether the petition filed by M/s Arif Azim was barred by limitation?

ii. Whether the court may decline to make a reference under Section 11 of Act, 1996, where the claims are ex-facie and hopelessly time barred?

128. On the first issue, it was observed by us that the Limitation Act, 1963 is applicable to the applications filed under Section 11(6) of the Act, 1996. Further, we also held that it is the duty of the referral court to examine that the application under Section 11(6) of the Act, 1996 is not barred by period of limitation as prescribed under Article 137 of the Limitation Act, 1963, i.e., 3 years from the date when the right to apply accrues in favour of the applicant. To determine as to when the right to apply would accrue, we had observed in paragraph 56 of the said decision that "the limitation period for filing a petition under Section 11(6) of the Act, 1996 can only commence once a valid notice invoking arbitration has been sent by the applicant to the other party, and there has been a failure or refusal on part of that other party in complying with the requirements mentioned in such notice."

7. In view of the aforesaid facts and circumstances, the present petition is allowed. Hon'ble Mr. Justice B.S.Walia, a former Judge of this Court, resident of #1143, Sector 8-C, Chandigarh-160009, Mobile No.9814006691, E-mail ID- waliabs@gmail.com, is nominated as the Sole Arbitrator to adjudicate the dispute between the parties, subject to compliance of statutory provisions including Section 12 of the Act.

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



9. Fee shall be paid to the learned Arbitrator in accordance with the Fourth Schedule of the Arbitration Act, as amended.
10. Learned Arbitrator is also requested to complete the proceedings as per the time limit prescribed under Section 29-A of the Act.
11. A request letter alongwith a copy of the order be sent to Hon'ble Mr. Justice B.S.Walia, a former Judge of this Court.

11.11.2025

(JASGURPREET SINGH PURI)

rakesh

JUDGE

Whether speaking	:	Yes/No
Whether reportable	:	Yes/No