

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

CJ Court

Case: Arb P No. 31/2026

Date of Pronouncement : 24.04.2025

Uploaded on: 24 .04.2025

Space Engineers Consortium Pvt. Ltd.

..... Appellant/Petitioner(s)

Through: Ms. Mehreen Altaf, Advocate.
(through virtual mode)

Vs

..... Respondent(s)

UT of J&K and ors.

Through: Ms. Sagira Jaffer, Assisting counsel to
Ms. Monika Kohli, Sr. AAG.

CORAM: HON'BLE THE CHIEF JUSTICE

ORDER
24.04.2026

(ORAL)

01. The present petition has been filed under Section 11(6) of the *Arbitration and Conciliation Act, 1996* (for short '**the Act**') for appointment of an independent Arbitrator.

02. The facts, in brief, as projected by the petitioner are:

The petitioner, a Company, was allotted work bearing No. IFCI/W/E-NIT-08/2019-20/10052/57 dated 11.10.2019 for the **“Preparation of Detailed Project Report for canal of Ujh multipurpose project in Samba District by tapping tail water D/S of Barrage”** having the total value of ₹98,90,600.00. The work order included 11 milestones to be achieved by the petitioner within the stipulated period of 150 days from the Letter of Intent. Prior to the issuance of letter of allotment, a finalized schedule of payment was received by the respondents vide communication made by the petitioner on 04.08.2019. Thereafter, upon completion of the work, the petitioner raised an invoice for an amount of ₹ 15,52,000.00, out of which ₹13,19,200.00 were released. Following the joint consultative meeting on 24.01.2020, attended by both the Petitioner and

the Respondents, the Draft Detailed Project Report (DPR) was duly furnished to the respondents and subsequently, the Final DPR was furnished on 14.03.2020. The respondents failed to release the payment or to respond, thereafter, petitioner vide communications dated 25.04.2020 and 27.06.2020, raised the invoice for payment of ₹83,38,600.00 as also for issuance of Completion Certificate. Though the Director Planning, Jal Shakti Department, on 17.09.2020 raised a request for release of 50% of the funds amounting to ₹ 54.67 lacs, as also the Assistant Executive Engineer, Flood Control Sub-Division –II Samba issued directions to the concerned Junior Engineers and Assistant Engineers to verify the work done by the petitioner for making the payment but the demand of petitioner remained unreciprocated. Consequent to the petitioner addressing the concerns raised by the respondents, the Completion Certificate was facilitated in his favour on 18.03.2024. Due to the respondents' failure to satisfy the admitted final bill, the petitioner on 07.01.2026, invoked the Arbitration Clause contained in the Agreement to appoint the arbitrator for resolution of the dispute arisen between the parties, followed by the reminders issued on 10.02.2026 and 23.02.2026. It is further averred that notwithstanding the consistent efforts to amicably settle the dispute arisen between the parties, the outstanding final dues remained unpaid. Hence, on account of nonfeasance from the respondents, the present petition.

03. Heard. Notice.

04. Served with advance copy of the petition, Ms. Sagira Jaffer, learned counsel for the respondents, present in Court, accepts notice.

05. Learned counsel for the respondents vehemently disputes/denies the claim that is sought to be made by the petitioner being apparently misconceived and untenable. However, the existence of the arbitration clause, as aforesaid, and its invocation by the petitioner vide notice dated 07.01.2026, is not disputed. Accordingly, it is urged that let an arbitrator be appointed and the respondents be granted liberty to raise all possible pleas/ objections before the arbitrator in this regard.

06. Accordingly, in the wake of the position sketched out above and in terms of the statements made by the learned counsel for the parties, as also the clause contained in the agreement itself, the petition is **allowed**.

07. With consent of learned counsel for the parties, **Sh. Soba Ram Gandhi, Retd. District and Sessions Judge, Jammu**, (Mobile No. 9419141947) 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. The respondents are at liberty to raise all the objections as regards the subject matter before the learned Arbitrator.

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

09. Disposed of.

(ARUN PALLI)
CHIEF JUSTICE

Jammu
24.04.2026
Sunita