Sr. No. 2

HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT JAMMU
(through virtual mode)

CJ Court
Case: Arb P No. 47/2026

Divay Vasudeva. …Petitioner(s)/Appellant(s)

Through: Mr. Irfaan Khan, Advocate.

V/s

Anil Sharma. …. Respondent(s)

Through: None.

CORAM: HON'BLE THE CHIEF JUSTICE

ORDER
30.10.2026

(ORAL)

01. The genesis of the dispute originates from the establishment of the Shri Durga Dass Memorial Hospital and Research Center (SDDM) in Channi Himmat, Jammu. It is alleged that the facility was conceptualized and established solely by the petitioner's father and during the process of its founding; the respondent resided abroad and played no role in the process of its construction. The respondent was not in a position to effectively conduct the said business, hence, appreciating and recognizing the contribution of the petitioner's family in construction and establishment, a formal Deed of Partnership came to be executed between the petitioner and the respondent on 04.08.2017 registered with Sub-Registrar (2nd Additional Munsiff) Jammu.

During the initial phase both the parties honored the terms and conditions of the partnership deed, however, after the respondent returned, he began asserting sole ownership over the hospital, subsequently usurping both management decisions and profits unilaterally. It is further contended that although the petitioner sought intervention of his family members to solve the dispute but same remained unresolved. The petitioner moved a petition under *Section 9 of the Arbitration and Conciliation Act 1997* before the learned Additional District Judge Jammu (*Divya Vasudeva vs. Anil Sharma*) wherein the respondent was restrained temporarily from taking any decision concerning the partnership business and management of the hospital and other day today affairs

unilaterally without taking petitioner or indulging in any activity prejudicial to the working and reputation of the hospital. Meanwhile, the respondent also filed a suit for permanent prohibitory injunction (*Anil Sharma vs. Ashok Sharma and anr.*) before the Court of learned 2nd Additional District Judge, Jammu and vide order dated 23.12.2025 temporarily restrained order was passed against the non-applicants. However, the said order was set aside by the Coordinate Bench of this Court while deciding the MA No. 76/2025 on 30.12.2025 and the suit itself was dismissed on 30.01.2026 for default.

Concurrently, as the dispute between the parties remained unresolved, the petitioner on 16.10.2025 served a legal notice to the respondent for appointment of an arbitrator as provided under Clause 22 of the Partnership Deed which reads as under:

> "*22. That in case of any dispute between the partners regarding the interpretation of the Partnership deed or in regard to any other matter concerning the Partnership business, the same shall be referred to the arbitration and the provisions of Jammu and Kashmir Arbitration and Conciliation Act, shall apply."*

It is further averred that notwithstanding the consistent efforts to settle the dispute arisen between the parties, the same remained unsettled. Hence, the present petition.

02. Heard learned counsel for the petitioner.

03. On 29.05.2026, notice was issued to the respondent, subject to the petitioner taking steps within the stipulated time. Despite efforts as the notice issued could not be served upon the respondent, this Court vide order dated 10.07.2026 directed the service of notice through the process serving agency of Principal District Judge Jammu. In terms of the report of the Registry dated 10.09.2026, the notice was received back with the remarks indicating that the ***respondent did not met. However his family members had retained the photocopy of the notice and had ensured his presence before the Court.***

This Court being satisfied that the service upon the respondent could not be effected in the ordinary manner, thus, on 18.09.2026 while allowing the miscellaneous application filed by the petitioner being CM No. 6529/2026, directed that the respondent shall be served by way of substituted service through publication of notice in a daily newspaper.

Office note dated 08.10.2026 reflects that the publication as directed has been done and thus, the service is deemed to have been completed.

Since, despite service none has chosen to cause appearance, this petition is taken up for final disposal.

04. The existence of the arbitration clause, as aforesaid, and its invocation by the petitioner is not disputed.

06. Thus, upon careful review of the averments detailed in the petition and in the given circumstances, when the learned counsel for the respondent has chosen not to appear to oppose the appointment of the arbitrator on any count, the petition is **allowed**. And, **Sh. Suneet Gupta, (**Mobile No. 9419162400) Retired District Judge, Jammu, 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 respondent is at liberty to raise all the objections/pleas as regards the subject matter before the learned Arbitrator.

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

(DR. PUSHPENDRA SINGH BHATI)
CHIEF JUSTICE

Srinagar:
30.10.2026
SUNITA