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**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH**

**ARB-63-2026 (O&M)
Date of Decision: 08.04.2026**

M/s J.K.K. Constructions

.... Applicant

Versus

Executive Engineer (C) Punjab Mandi Board, Amritsar and Another

.... Respondent

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Dheeraj Mahajan, Advocate &
Mr. Jasjit Singh Saini, Advocate,
for the applicant.

Mr. Deepak Gupta, Advocate,
for the respondents.

JASGURPREET SINGH PURI, J. (ORAL)

1. The present application 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 Arbitral Tribunal comprising of Sole Arbitrator to adjudicate upon the disputes and differences which have arisen between the parties.

2. Learned counsel for the applicant submitted that an agreement was executed between the applicant and the respondents wherein there exists a valid arbitration clause i.e. Clause 25 (Annexure P-2). The said arbitration clause provides that if any dispute or difference arises between the parties, the same shall first be referred for settlement to the Engineer of the work. The Engineer shall within a period of sixty days from the date of receipt of a written request from the contractor, convey his decision to the contractor, failing which, the matter shall be referred to arbitration. He submitted that

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when a dispute arose between the parties, the applicant had raised its grievances before the Executive Engineer (Civil) vide representation dated 01.05.2024 (Annexure P-3). Pursuant thereto, the applicant received partial payment pertaining to the bank guarantee, earnest money etc. but the entire claim of the applicant was not settled by the Executive Engineer. Consequently, the applicant invoked the aforesaid arbitration clause by issuing a notice under Section 21 of the Act to the respondent vide Annexure P-4 dated 17.08.2025. In the said notice, the applicant specifically averred in Paragraphs 6 & 7 that partial amounts had been received and thereafter in Paragraph No.9 thereof, he has rather given details of the claims which are now required to be adjudicated through the arbitration process. The respondents in their reply to the aforesaid notice have denied liability. Hence, the present application has been filed under Section 11 of the Act for appointment of an independent Sole Arbitrator.

3. On the other hand, learned counsel for the respondent submitted that there is no dispute with regard to the existence of the aforesaid agreement, which contains a valid arbitration clause i.e. Clause 25 vide Annexure P-2. He further submitted that there is also no dispute that the applicant had invoked the said arbitration clause by issuing a notice dated 17.08.2025 (Annexure P-4). He however submitted that the objection raised by the respondents is that the claim has already been settled by the Executive Engineer and in case, any grievance still remains then the applicant may again approach the Executive Engineer, who can settle the claim and therefore, there is no need to refer the matter to the arbitration.

4. I have heard learned counsel for the parties.

5. The existence of the aforesaid agreement which contains the



arbitration clause i.e. Clause 25 and the invocation thereof by the applicant vide notice dated 17.08.2025 (Annexure P-4) have not been disputed by learned counsel for the respondents. The only objection raised by learned counsel for the respondents was that the applicant could have again approached the Executive Engineer for settlement of its claim.

6. However, it was the case of learned counsel for the applicant that the applicant had earlier approached to the respondents by filing a representation dated 01.05.2024 (Annexure P-3) and thereafter, certain amounts pertaining to the bank guarantee, earnest money etc. were settled between the parties. Nevertheless, several claims remain unsettled and therefore, in the legal notice invoking the aforesaid arbitration clause, details of the claims have been specified including the amounts already paid and those that still remain outstanding. Thus, a dispute has arisen between the parties which remains unsettled. As per the learned counsel for the applicant, the provision of Section 11 of the Act can be invoked for appointment of an independent Arbitrator because of the existence of the arbitration clause in the agreement.

7. This Court is of the considered view that the argument advanced by learned counsel for the applicant carries weight in view of the fact that at the reference stage, this Court would only see *prima facie* existence of a valid arbitration clause and its invocation by issuance of a notice. Both the aforesaid essential conditions are present in the instant case and are not disputed by learned counsel for the respondents. The question of what claims have been awarded to the applicant and what remains is beyond the scope of this Court while exercising powers under Section 11 of the Act, as it falls within the domain of the learned Arbitrator to be adjudicated at the

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appropriate stage. Therefore, the aforesaid objections raised by the learned counsel for the respondents are not sustainable.

8. Consequently, the present application is allowed. Mr. Pranav Chadha, Advocate, resident of House No. 5408, Sector 38 (West), Chandigarh, Mobile No.9915007790, Email id. pchadha31@hotmail.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.

9. 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.

10. Fee shall be paid to the learned Arbitrator in accordance with the Fourth Schedule of the Arbitration Act, as amended.

11. Learned Arbitrator is also requested to complete the proceedings as per the time limit prescribed under Section 29-A of the Act.

12. A request letter alongwith a copy of the order be sent to Mr. Pranav Chadha, Advocate.

08.04.2026*Bhumika***(JASGURPREET SINGH PURI)
JUDGE**

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| 1. Whether speaking/reasoned: | Yes/No |
| 2. Whether reportable: | Yes/No |