

2026:PHHC:067053



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

ARB-91 of 2026 (O&M)

Date of decision: 24.04.2026

M/s Ramky Infrastructure Ltd.

.....Applicant

Versus

The State of Punjab and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE SHEEL NAGU, CHIEF JUSTICE

Present: Mr. R.K. Girdhar, Advocate,
for the applicant.

Mr. Salil Sabhlok, Senior DAG, Punjab.

SHEEL NAGU, CHIEF JUSTICE

CM-8630-CII-2026

Reply, by way of short affidavit dated 23.04.2026 of the Executive Engineer, Construction Division No.2, PWD B&R, Amritsar, filed on behalf of respondent Nos.1 to 4, is taken on record.

Misc. application (CM-8630-CII-2026) stands allowed accordingly.

ARB-91 of 2026 (O&M)

1. Instant application u/s 11 of Arbitration and Conciliation Act, 1996 (for short, '1996 Act'), seeks appointment of Sole Arbitrator.

2. Reply filed on behalf of respondents is perused.

3. The rival parties herein entered into agreement dated 27.12.2021 (Annexure A-2) for execution of work of construction of Shri Guru Teg Bahadur State University of Law at Kairon, District Tarn Taran. The said agreement was governed by the General Conditions of Contract (Annexure A-1), containing an arbitration clause as follows:

“25. DISPUTES RESOLUTION MECHANISM

xxx xxx xxx xxx

(v) All disputes or differences in respect of which the decision is not final and conclusive shall, at the request of either party made in communication sent through registered A.D. post, be referred for arbitration as per following :

a. For original contract of the value upto Rs. 5.00 Crore, the disputes shall be referred to the sole arbitration of the Superintending Engineer of the concerned circle of Public Works Department, Buildings and Roads Branch acting as such at the time of reference unless debarred from acting as an Arbitrator by an order of the Punjab Government, in which event, the Employer shall appoint any other Superintending Engineer of the department to act as an arbitrator on receipt of a request from either party.

b. For original contract of the value more than Rs. 5.00 Crore and upto Rs. 15.00 Crore, the disputes shall be referred to the sole arbitration of any other Superintending Engineer of the department to be appointed by the Employer.

c. For original contracts of the value more than Rs. 15.00 Crore, the disputes shall be referred to the Arbitral Tribunal consisting of three (3) members. The composition of tribunal will be as under:

- *One official member, Chairman of the Tribunal, who shall be a serving Chief Engineer of PWD (B&R) other*

then the Chief Engineer incharge of the work. The appointment of the chairmanship of the Tribunal shall be done by the Employer;

- One official member, not below the rank of Superintending Engineer (serving) of the Punjab PWD (B&R) to be appointed by the Employer and*
- One non-official member, who will be a technical expert, not below the rank of Superintending Engineer (serving/retired) of the Punjab PWD (B&R) selected by the Contractor from a panel of three (3) persons given to him by the Employer.*

xxx xxxx xxx xxx”

3.1 Dispute erupted between the parties. Efforts were made to amicably settle the dispute as per Clause 25 (ii) of General Conditions of Contract, but no settlement could be arrived at. Thereafter, the applicant served notice dated 09.01.2026 (Annexure A-11) upon Respondents seeking resolution of dispute through Arbitration, however, it did not fructify any result.

3.2 It is pertinent to mention that the arbitration clause contemplates constitution of a three-member Arbitral Tribunal, however, the said stipulation is rendered unenforceable in view of the mandate of Section 12(5) read with Seventh Schedule of 1996 Act, as amended, particularly with regard to neutrality and independence of arbitrators.

3.2.1. Therefore, in order to obviate any objection and to ensure expeditious adjudication, the applicant submits that an Independent Arbitrator is required to be appointed by this Court, which upon instructions, is agreed to by the counsel for

4. Counsel for Respondents could not dispute the existence and execution of arbitration agreement, exhaustion of remedy by applicant under the arbitration clause in the agreement between rival parties, service of notice, dispute between the parties being arbitrable and the cause not being a deadwood.

4.1 This Court, thus, finds the above mentioned to be in consonance with the statutory scheme and the settled position of law, and accordingly proceeds to appoint a Sole Arbitrator.

5. The law regarding the scope of examination under Section 11(6) of the Arbitration and Conciliation Act, 1996 is well settled. At the stage of considering an application for appointment of an arbitrator, the Court is only required to undertake a **limited prima facie examination** as to the **existence** and **validity** of the arbitration agreement and whether the disputes are **manifestly arbitrable**. Unless it is **ex facie** clear that the arbitration agreement is non-existent, invalid, or the disputes are demonstrably non-arbitrable, the matter ought to be referred to arbitration.

6. The Apex Court in **Vidya Drolia Vs. Durga Trading Corporation, (2021) 2 SCC 1, NTPC Ltd. Vs. SPML Infra Ltd. (2023) 9 SCC 385**, and **DLF Home Developers Ltd. Vs. Rajapura Homes (P) Ltd., (2021) 2 SCC 675** has consistently held that the referral Court, while exercising jurisdiction under Section 11, is not expected to conduct a mini trial or enter into a detailed adjudication of disputed questions. The rule is: “when

7. Pre-requisites for invoking powers under Section 11(6) of the Arbitration and Conciliation Act, 1996 stand satisfied and the objections raised by the Respondents do not constitute a valid impediment to the exercise of this Court's power to appoint an arbitrator. Therefore, this Court deems it appropriate to appoint an independent arbitrator.

8. Accordingly, application is allowed.

8.1 Mrs. Justice Meenakshi I. Mehta, former Judge of this Court, residing at House No. 358, Sector – 2, MDC, Panchkula (Haryana), Mobile No. 9416877277, is hereby appointed as Sole Arbitrator to adjudicate the dispute between the parties, subject to compliance of statutory requirements under 1996 Act before proceeding ahead.

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

10. The Arbitrator is appointed with the liberty to determine jurisdiction and rule on any objections including (but not limited to) ruling on objections with respect to the existence or validity of the arbitration agreement and the scope of the Arbitrator's authority in accordance with Section 16 of the 1996 Act.

11. The Arbitrator shall be paid fee in accordance with the Fourth Schedule of 1996 Act, as amended from time to time, or fee as agreed to by the parties.

12. The Arbitrator is requested to complete the arbitral proceedings as per time limit stipulated u/s 29-A of 1996 Act.

13. Any observation made hereinabove is meant merely for passing this order and shall not be construed as expression on merits of the dispute.
14. A request letter along with copy of this order be sent to Mrs. Justice Meenakshi I. Mehta, former Judge of this Court.

(SHEELNAGU)
CHIEF JUSTICE

24.04.2026
Ajay Prasher

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No