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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

ARB-179-2025 (O&M)
Date of Decision: 04.02.2026

MANEESH KHETERPAL AND ANOTHER

....Petitioner(s)

Versus

NITIKA SETH

.....Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Rohit Mittal, Advocate, for the petitioners.
(Through Video Conferencing).

Ms. Aditi Mishra, Advocate, for the respondent.
(Through Video Conferencing).

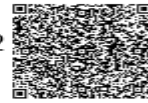
JASGURPREET SINGH PURI, J. (Oral)

1. The present petition has been filed under Section 11 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. Both the learned counsels for the parties have appeared through video conferencing.

3. Learned counsel appearing on behalf of the petitioner submitted that there was an agreement (Annexure P-1) between the parties wherein there exists a valid arbitration clause i.e. Clause 38, which provides that in case of a dispute between the parties, the matter is to be settled by

conciliation or by arbitration and the provisions of the Arbitration and



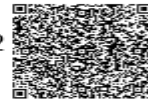
Conciliation Act, 1996 will be made applicable. He submitted that when a dispute arose between the parties, a lot of efforts were made for mediation and conciliation but the same could not be fruitful and therefore, the petitioner invoked the aforesaid arbitration clause by issuance of notice under Section 21 of the Act vide Annexure P-3 dated 30.01.2025. He submitted that the respondent did not file any reply to the aforesaid notice and rather the name of an Arbitrator was also suggested in the aforesaid notice and since the respondent has failed to reply to the aforesaid notice or to take any action for the appointment of an Arbitrator, the present application has been filed under Section 11 of the Act seeking appointment of an independent Sole Arbitrator by this Court.

3. On the other hand, learned counsel appearing on behalf of the respondent submitted that so far as the aforesaid clause 38 and the notice issued by the petitioner is concerned, the same is not in dispute. She however submitted that as per the aforesaid clause, it is so stated that in case a dispute arises, then the matter shall be settled by conciliation or by arbitration under the Arbitration and Conciliation Act, 1996 and therefore, it is not mandatory to appoint an Arbitrator.

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

5. In the present case neither the agreement which contains the arbitration clause i.e. Clause 38 nor the invocation of the said clause under Section 21 of the Act by sending a notice is in dispute. The aforesaid clause 38 is reproduced as under:-

“Arbitration - (1) All the matters not expressly provided in this agreement shall be decided by the consent of all the Partners in writing. Failing that all disputes and questions about and in connection with the LLP under this Agreement arising between

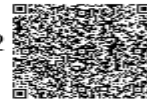


the Partners or between any one of them and the legal representative of the Partners or with the LLP at any time and from time to time, shall be settled by conciliation r by arbitration as provided under the Arbitration and Conciliation Act, 1996 as if the parties to the dispute have consented in wr4iting for determination of the same as aforesaid and the provisions of the said Act apply accordingly.”

6. Both the learned counsels stated that in the above clause, after the expression “settled by conciliation”, the word used is 'or' whereas it has been wrongly typed as 'r' in the annexure attached with the petition. Even in para No.19 of the reply filed by respondents, it is stated to be “conciliation or by arbitration”.

7. A perusal of the aforesaid clause would show that the heading of the aforesaid clause is 'Arbitration'. It further provides that when a dispute arises between the parties, then the same shall be settled by conciliation or by arbitration as provided under the Arbitration and Conciliation Act and the provisions of the Act will apply. It was the case of the learned counsel for the petitioner that a lot of efforts were made before invoking the arbitration clause but the same could not be fruitful.

8. Even otherwise also, vide order dated 19.11.2025, on the request of both the learned counsels for the parties, this Court had referred the matter to the Mediation and Conciliation Centre of this Court so that the matter may be settled amicably between the parties. However, the mediation had failed and as per the report of the Mediation and Conciliation centre of this Court, the case was unsettled between the parties and therefore, in this way, all the efforts for arriving at an amicable settlement had failed.



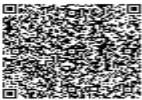
9. The argument which was raised by learned counsel for the respondent that the aforesaid clause 38 was not mandatory so far as the arbitration is concerned is misconceived. The intention of the parties for referring the matter to arbitration as per the aforesaid clause is very clear. It is not a case that the parties have not made any endeavour for conciliation and rather the matter was sent to the Mediation and Conciliation Centre of this Court and therefore, this Court is of the considered view that there is *prima facie* existence of the aforesaid arbitration clause and the language of the same is very clear depicting the intention of the parties that the matter is to be sent for arbitration. The other conditions for invocation of the arbitration clause by sending a notice under Section 21 of the Act are also not in dispute.

10. In view of the aforesaid facts and circumstances, the present petition is allowed. Hon'ble Mr. Justice Rakesh Kumar Jain, a former Judge of this Court, resident of House No. 133, Sector 35-A, Chandigarh and # 4/1, B-4, Near Hauz Khas, Sarvpriya Vihar, New Delhi, mobile No. 9780008134, Email ID: j.rkjain01@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.

11. 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.

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

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



14. A request letter alongwith a copy of the order be sent to Hon’ble Mr. Justice Rakesh Kumar Jain, a former Judge of this Court.

04.02.2026

(JASGURPREET SINGH PURI)

rakesh

JUDGE

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