



255
IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

ARB-664-2025 (O&M)
Date of Decision: 20.01.2026

M/S SEA KING KNITWEARS

....Petitioner(s)

Versus

UNITED INDIA INSURANCE COMPANY LTD. AND OTHERS

.....Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Saksham Parmar, Advocate for
Mr.Charanpuneet Singh, Advocate,
for the petitioner.

Mr. Arpit Gaur, Advocate,
for respondents No.1 and 2.
(Through Video Conferencing).

None for respondents No.3 and 4.

JASGURPREET SINGH PURI, J. (Oral)

CM-25408-CII-2025

The present application has been filed for placing on record
reply alongwith Annexures R-1 to R-4 on behalf of respondents No.1
and 2.

For the reasons recorded in the application, the same is allowed.
Reply alongwith Annexures R-1 to R-4 is taken on record, subject to all just
exceptions.



1. The present petition 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 Arbitrator to adjudicate the disputes and differences between the parties.

2. Learned counsel for the petitioner submitted that the petitioner is a Company which has a factory in Ludhiana and with regard to three different premises, the petitioner had purchased three insurance policies from the respondents. He submitted that one insurance policy was purchased from respondents No.1 and 2, namely United India Insurance Company Limited and two policies were purchased from respondents No.3 and 4, namely Shriram General Insurance Company Limited and all the aforesaid policies are attached with the present petition as Annexures A-2, A-4 and A-5, which contain arbitration clauses. He submitted that the arbitration clauses which are contained in all the three policies are identical. He further submitted that a fire broke out in different premises of the factory of the petitioner and the said premises are covered under the aforesaid three policies. He submitted that the respondent- United India Insurance Company Limited had appeared and filed its reply but the respondent-Shriram General Insurance Company Limited has chosen not to appear despite being served.

3. Learned counsel submitted that after the incident of fire, a joint surveyor was appointed by both the insurance companies and some amount was paid to the petitioner but the same did not satisfy the claim of the petitioner and therefore, a dispute arose between the parties and the petitioner served a common legal dated 07.09.2025 upon both the insurance companies vide Annexure A-10 invoking the arbitration clauses but no

response was received from them and therefore, the present application has



been filed under Section 11 of the Act for appointment of an independent Sole Arbitrator.

4. Learned counsel further submitted that as per the aforesaid arbitration clause, first of all the matter is to be referred to a Sole Arbitrator and in case the parties do not agree upon a Sole Arbitrator within 30 days, then the matter is to be referred to a panel of the arbitrators. He submitted that since the aforesaid mechanism has failed and the respondents did not even respond to the legal notice, this Court may appoint an independent Sole Arbitrator for adjudication of the claims.

5. On the other hand, learned counsel appearing on behalf of the respondents-United India Insurance Company Ltd. through video conferencing submitted that there is neither any dispute with regard to the existence of the aforesaid arbitration clauses in the aforesaid policies nor there is any dispute with regard to invocation of the aforesaid arbitration clauses by issuance of notice vide Annexure A-10 by the petitioner. He submitted that the only objection of respondent-United India Insurance Company Ltd. is that the petitioner has already received the entire money from the respondent-Company and has also given his no objection stating that he has no further claim and therefore, the petitioner is estopped from raising any further claim and seeking arbitration.

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

7. Respondents No.1 and 2 are the Insurance Company in the name of United India Insurance Company Ltd., whereas respondents No.3 and 4 are another Insurance Company in the name of Shriram General Insurance Company Ltd. The petitioner had purchased three insurance policies from the aforesaid two companies. When a fire broke out in the



factory of the petitioner, then as per learned counsel for the petitioner, it affected the premises which were covered by the aforesaid three policies. Respondents No.1 and 2 have appeared before this Court, whereas respondents No.3 and 4 have not appeared despite being served and in this regard, an order was also passed on 28.11.2025, which is reproduced as under:-

“Mr. Rajesh Gaur, Advocate has caused appearance on behalf of respondent No.1 and has filed his memo of appearance which is taken on record.

As per report of the Registry, notice issued to respondent No.4 has been received back served through Manager but none has appeared on behalf of respondent No.4.

Respondent No.3 is the head of respondent No.4.

In the interest of justice, adjourned to 15.12.2025.”

8. Even today also, nobody has appeared on behalf of respondents No.3 and 4.

9. It was the case of learned counsel for the petitioner that since all the essential conditions for appointment of an Arbitrator under Section 11 of the Act are satisfied, an independent Sole Arbitrator may be appointed by this Court in view of the aforesaid arbitration clause.

10. An objection was raised by learned counsel for respondents No.1 and 2 only to the extent that the matter is non-arbitrable because the petitioner has already received the entire amount and has given no objection. This Court is of the considered view that such an objection would not be sustainable at the reference stage while considering a petition under Section 11 of the Act. The existence of the arbitration clause as well as invocation thereof by issuance of notice is not disputed by learned counsel



for respondents No.1 and 2. The issue as to whether the dispute is arbitrable or not and whether the petitioner has received the entire amount is within the scope of the Arbitrator and not to be examined at the reference stage. This law has been settled by Hon'ble Supreme Court in *SBI General Insurance Company Limited Vs. Krish Spinning*, 2024 SCC Online SC 1754 and “*Interplay between Arbitration Agreements under Arbitration and Conciliation Act, 1996 and Stamp Act, 1899, In Re*” (2024) 6 SCC 1.

11. In view of the above, the present petition is allowed. Hon'ble Mr. Justice S.N.Aggarwal, a former Judge of this Court, resident of House No. 1458, Sector 40-B, Chandigarh, Mobile No.9876716983, 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.

12. 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.

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

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

15. A request letter alongwith a copy of the order be sent to Hon'ble Mr. Justice S.N.Aggarwal, a former Judge of this Court.

20.01.2026

(JASGURPREET SINGH PURI)

rakesh

JUDGE

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