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IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

ARB-695-2025 (O&M)

Date of Decision:28.01.2026

R.K. Jindal

.....Petitioner

Versus

Municipal Corporation Chandigarh and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present:- Mr. Dinesh Nagar, Advocate for the petitioner.

None for the respondents.

JASGURPREET SINGH PURI J.(Oral)

1. The present is a petition filed under Section 11 (6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act'), seeking appointment of an arbitrator in the present case.

2. Learned counsel for the petitioner submitted that a valid agreement (Annexure P-1) was entered into between the parties, which contains an arbitration clause, i.e. Clause No. 25. The said clause provides that any dispute or difference arising between the parties shall be referred to the sole arbitration of the Superintending Engineer of the concerned Circle in the Municipal Corporation, Chandigarh.

3. He further submitted that the Superintending Engineer of the respondent-department cannot be appointed as an arbitrator because of conflict of interest in view of Section 12(5) of the Act. Reliance has been placed upon the judgment of Hon'ble Supreme Court in ***Perkins Eastman Architects DPC and another v. HSCC (India) Limited***, (2020) 20 SCC



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760, wherein it has been held that unilateral appointment of a sole arbitrator by one of the parties is not permissible in law.

4. He further submitted that earlier the petitioner had filed a civil suit for recovery before learned Civil Judge (Junior Division), Chandigarh, however, the same was dismissed vide judgment dated 07.07.2025 (Annexure P-2) on the ground that appropriate remedy was of arbitration and rather liberty was granted to the petitioner to initiate arbitration proceedings in terms of the contract, subject to limitation. In this regard, he referred to Para No. 16 of the aforesaid judgment.

5. He further submitted that after dismissal of the civil suit, the petitioner invoked the aforesaid arbitration clause by issuing a legal notice dated 27.08.2025 (Annexure P-3) to the respondents, however, no response has been received from them. He further submitted that even before this Court, the respondents chose not to appear and were proceeded against *ex parte* vide order dated 15.01.2026. Therefore, he submitted that this Hon'ble Court may appoint an independent and impartial arbitrator for adjudicating the dispute which has arisen between the parties.

6. I have heard learned counsel for the petitioner.

7. None has appeared on behalf of the respondents and on the last date of hearing, i.e. 15.01.2026, the respondents were proceeded against *ex parte*. The aforesaid order is reproduced as under:

“As per the report of Registry, notices issued to the respondents have been received back duly served, however, none has caused appearance on their behalf.

Therefore, they are proceeded against ex parte.

Adjourned to 28.01.2026, for final arguments”.



8. The learned counsel for the petitioner has referred to the aforesaid arbitration clause i.e. Clause No. 25 as well as to the notice invoking arbitration vide Annexure P-3.

9. So far as the earlier suit filed by the petitioner is concerned, a perusal of the aforesaid judgment would show that liberty was granted to the petitioner to initiate arbitration proceedings in terms of the contract.

10. Para No.16 of the the aforesaid judgment which has been attached alongwith the present petition at Annexure P-2 is reproduced as under:-

“16. In view of the above findings, this Court is of the considered opinion that the plaintiff has failed to establish through cogent and admissible evidence that he is entitled to the recovery amount claimed. Additionally, the non-invocation of the arbitration clause renders the suit not maintainable. The plaintiff is at liberty to initiate arbitration proceedings as per the contract, if the same is within limitation. Accordingly, the suit filed by the plaintiff for recovery of Rs. 6,84,672/-along with interest is liable to be dismissed. However, liberty is granted to the plaintiff to initiate arbitration proceedings in terms of Clause 25 of the agreement.”

11. Therefore, this Court is of the considered view that in light of the liberty so granted in the civil suit on account of the existence of the arbitration clause, the same shall not operate as a bar on the appointment of an arbitrator under Section 11 of the Act.

12. The essential conditions for appointment of an arbitrator, namely, the existence of a valid arbitration clause and invocation of the said clause by issuance of a legal notice (Annexure P-3), stand satisfied.



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13. In view of the aforesaid facts and circumstances, the present petition is allowed. Ms. Harsimrat Rai, Advocate, resident of House No. 401, GH-9, Sector 20, Panchkula, Mobile No.9915468877, Email:sscfrevenue@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.

14. Parties are directed to appear before learned Arbitrator on date, time and place to be fixed and communicated by learned Arbitrator at her convenience.

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

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

17. A request letter alongwith a copy of the order be sent to Ms. Harsimrat Rai, Advocate.

28.01.2026

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**(JASGURPREET SINGH PURI)
JUDGE**

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No