

266

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

ARB-712-2025 (O&M)
Date of decision: 10.03.2026

M/S PAWAN AND COMPANY

...Petitioner(s)

VERSUS

UNION OF INDIA AND OTHERS

...Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

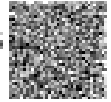
Present:- Ms. Deepali Puri, Advocate and
Mr. Arjun Dhaliwal, Advocate for the petitioner.

Mr. Vinish Singla, Senior Panel Counsel for the respondents.

JASGURPREET SINGH PURI, J. (Oral)

1. The present application has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act') seeking appointment of an independent Arbitrator to adjudicate the disputes and differences which have arisen between the parties.

2. Learned counsel for the applicant submitted that a contract was entered into between the parties and the general conditions of the contract are annexed along with the present arbitration case as Annexure P-2, which contains an arbitration clause i.e. Clause 70. She further submitted that the aforesaid clause provides that all disputes between the parties to the Contract (other than those for which the decision of the C.W.E. or any other person is by the contract expressed to be final and binding) shall, after written notice by either party to the contract to the other of them, be referred to the sole arbitration of an Engineer Officer to be appointed by the authority mentioned in

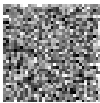


the tender documents. She further submitted that it is a settled law that an interested party cannot become an Arbitrator, particularly in view of the provisions of Section 12(5) of the Act and also in view of the judgment passed by Hon'ble Supreme Court in **Perkins Eastman Architects DPC and another versus HSCC (India) Limited, (2020) 20 SCC 760.** She also submitted that a dispute arose between the parties and the applicant invoked the aforesaid arbitration clause by issuing a notice dated 19.09.2024 (Annexure P-10) but no response was received from the respondents and therefore, the present application has been filed seeking appointment of an independent Arbitrator.

3. On the other hand, Mr. Vinish Singla, learned Senior Panel Counsel for the respondents submitted that there is no dispute with regard to the existence of the aforesaid arbitration clause and also invocation of the said arbitration clause by way of issuance of notice vide Annexure P-10. He has however submitted that the dispute is a non-arbitrable dispute as nothing is payable by the respondents and it was because of the default of the applicant that it is raising a dispute.

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

5. There is no dispute with regard to the existence of the aforesaid arbitration clause and also invocation of the said arbitration clause by way of issuance of a notice vide Annexure P-10. So far as the objection raised by the learned Senior Panel Counsel for the respondents with regard to the subject matter being non-arbitrable as nothing is payable by the respondents is concerned, the same does not fall within the scope of this Court under Section



11 of the Act at the reference stage. Such issues can always be raised before the learned Arbitrator at an appropriate stage.

6. Since all the essential conditions for appointment of a Sole Arbitrator under Section 11 of the Act stand satisfied, the present application is allowed. Sh. T. R. Bansal, Addl. District & Sessions Judge (Retd.), resident of House No.768, Sector 22-A, Chandigarh, mobile No.-09878622768, e-mail ID-akb22768@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.

7. Liberty is granted to the respondents to take all the legally permissible pleas available to them in accordance with law before the learned Arbitrator at an appropriate stage.

8. 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.

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

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

11. A request letter alongwith a copy of the order be sent to Sh. T. R. Bansal, Addl. District & Sessions Judge (Retd.).

(JASGURPREET SINGH PURI)
JUDGE

10.03.2026
Chetan Thakur

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