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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

ARB-775-2025(O&M)
Date of Decision: 21.01.2026

PAWAN AND COMPANY

....Petitioner(s)

Versus

UNION OF INDIA AND OTHERS

.....Respondent(s)

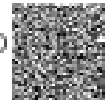
CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Arjun Dhaliwal, Advocate,
for the petitioner.

Mr. Vinish Singla, Advocate,
for the respondents.

JASGURPREET SINGH PURI, J. (Oral)

1. Short reply filed by the respondents is taken on record.
2. 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.
3. Learned counsel appearing on behalf of the petitioner submitted that there exists an agreement (Annexure P-4) between the parties, which contains an arbitration clause i.e. Clause 70. He submitted that a dispute arose between the parties with regard to the aforesaid agreement and thereafter, a notice was issued to the respondents vide Annexure P-13 dated 19.09.2024 invoking the aforesaid clause but the same was not responded to



by the respondents and therefore, the present application has been filed under Section 11 of the Act seeking appointment of a Sole Arbitrator.

4. On the other hand, learned counsel for the respondents submitted that neither there is any dispute with regard to the existence of the aforesaid arbitration clause nor there is any dispute with regard to the issuance of notice (Annexure P-13) invoking the aforesaid arbitration clause. However, the only objection raised by the respondents is that as per Clause 65 of the aforesaid agreement, once the final bill has been signed by the contractor, no further claim can be raised by him and therefore, the dispute is not arbitrable in nature.

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

6. The existence of the arbitration clause as well as the issuance of notice invoking the same vide Annexure P-13 are not in dispute. The only objection raised by the learned counsel for the respondents is that the dispute cannot be termed as an arbitrable dispute in view of Clause 65 of the agreement, which provides that once the final bill has been signed by the contractor, then no further claim can be made.

7. The aforesaid objection raised by the learned counsel for the respondents is not sustainable in view of the fact that at the reference stage under Section 11 of the Act, the Court only has to see a *prima facie* existence of an arbitration clause and the invocation thereof and the same are not in dispute in the present case. Such an objection as to whether the petitioner is entitled to any amount or not in terms of any other condition of the agreement is within the scope of the Arbitrator at the relevant stage and therefore, the petitioner cannot be non-suited only on the basis of the aforesaid objection.



8. In view of the above, the present petition is allowed.

Sh. Chanchal K. Singla, Senior Advocate, resident of # 544, Sector 109, Mohali Hills, SAS Nagar, Punjab and SCO 40-41, Level III, Sector-17 A, Chandigarh, mobile No.-9888345677, e-mail-chanchalksingla@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.

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

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

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

12. A request letter alongwith a copy of the order be sent to Sh. Chanchal K. Singla, Senior Advocate.

21.01.2026

(JASGURPREET SINGH PURI)

rakesh

JUDGE

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