



CGHC010506402025



2026:CGHC:30217

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

ARBR No. 63 of 2025

Ms Adept Power Private Ltd A-13, Sector - 52, Noida- 201301 U.P. Through its Director, Mr. Sanjay Kapoor S/o R.K. Kapoor, Aged About 59 Years, 202, Kumar House, Central Market, Prashant Vihar, Delhi, 110085.

--- Applicant

versus

1. South Eastern Coal Fields Ltd Through, its General Manager (E & M) / H O D, S E C L Bhawan, Seepat Road, Bilaspur, District- Bilaspur C.G. 495006
2. General Manager (SO - E & M) DA, S E C L Office of The General Manager, Dipka Area, District – Korba, C.G. 495452

--- Respondents

ARBR No. 66 of 2025

M/s Adept Power Private Ltd. A-13, Sector- 52, Noida- 201301 (U.P.) Through Its Director, Mr. Sanjay Kapoor S/o R.K. Kapoor, Aged About 59 Years, 202, Kumar House, Central Market, Prashant Vihar, Delhi, 110085

--- Applicant

Versus

1. South Eastern Coal Fields Ltd. Through Its General Manager (E And M)/ Hod, Secl Bhawan, Seepat Road, Bilaspur, District Bilaspur C.G. 495006
2. General Manager (So- E And M) SECL, Office of The General Manager, Gevra Area, District - Korba C.G. 495452

--- Respondents

For Applicants	: Mr. Shivank Mishra, Advocate.
For Respondents	: Ms. Sameeksha Gupta, Panel Lawyer.

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Hon'ble Mr. Ramesh Sinha, Chief Justice
Order on Board

16.07.2026

1. This is an application under Section 11(6) of the Arbitration and Conciliation Act, 1996 for appointment of an Arbitrator.
2. Since the instant applications i.e. ARBR No. 63 of 2025 and ARBR No. 66 of 2025 involve common facts and issues, they are being considered and decided together. ARBR No. 63 of 2025 is taken as the lead case.
3. The facts, in brief, as projected by the applicant are that the applicant Adept Power Private Limited is a MSME registered with Ministry of Micro, Small and Medium Enterprises and a private limited company duly incorporated under the provisions of the Companies Act, 2013 engaged in the works pertaining to the work Design, Engineering, Construction, Fabrication, Supply, Erection, Trial Run and Commissioning of the Electric Sub Stations. Respondent No.1 South Eastern Coal Fields Limited is subsidiary company of Coal India Limited, which is a Public Sector Undertaking under the supervision of Ministry of Coal, Government of India, independent to take decisions pertaining to its administration and growth of Business and allotment of Tenders in its behalf, being represented through its General Manager (E&M)/HOD who is the authorized representative of respondent No.1 for supervision and execution of project. Respondent No.2 is General Manager (E&M)/SO (E&M)), DA of respondent No.1 SECL who has represented it in the resolution process through internal settlement mechanism. Respondent No.1 floated an e-Tender Notice under two parts on the e-procurement portal of Coal India Limited and invited bids from the reputed and experienced contractors having prior experience with regard to the kind of work being allotted on 04/05/2018, for carrying on "Design,

Engineering, Construction, Fabrication, Supply, Erection, Trial Run and Commissioning of (a) 2 x 16 MVA, 33kV/6.6kV Each - 2 Nos. Sub-station (b) 2 x 5 MVA, 33kV/3.3kV 1 No. Sub-station (Balance work and Additional work) on turnkey basis along with maintenance of Sub-stations for four years at Dipka Open Cast Project, Dipka Area Tahsil - Katghora & Pali, District- Korba Chhattisgarh. The applicant participated in the above mentioned Tender for carrying on the work mentioned and his bid was selected and was subsequently awarded the contract. The contract agreement No. SECL/BSP/GM(E&M)/33KV Sub-stations (Balance work & additional work) Dipka/Agt/05 dated 15/12/2019 was entered in between both the parties for a total contract value of Rs.22,30,90,585.00/- (excluding GST) or of Rs.26,32,46,890.30/- (including GST) with a contract period amounting to about 2000 days i.e. 540 days for construction and 1460 days for maintenance. The respondents further issued the LOI No. 618 (Letter of Intent) to the applicant on 26/10/2018, in pursuance of that the applicant submitted Bank Guarantee No. 00550100000721 dated 14/11/2011 amounting to Rs.1,31,62,345.00/-, and word order for the project was issued on 03/12/2018, further the Site Handover Certificate was issued on 15/12/2018. The site was handed over and the project commenced on 15/12/2018 the applicant started executing the work having the construction deadline of 07/06/2020 and maintenance deadline upto 06/06/2024. However the project encountered substantial delays due to not supplying of critical equipment (Transformers, VCB's and other essential items). However, despite our continuous followups and communication, the required equipment was not handed over to us in timely manner, which made it impossible for us to adhere to the original contractual schedule. Due to not providing of essential/critical equipment the applicant has suffered huge financial loss on the account of loss of business due to abnormal delays in

clearing dues by the SECL, Idle Manpower Expenses, Retention amount owing to about 5% of the original tender value, Additional expenses on purchasing extra warranties, Bank Guarantee renewal charges, Escalation of cost due to extension of time by SECL, etc. In order to resolve the above mentioned issues the applicant issued a formal notice to the respondent - SECL under Section 21 of Arbitration And Conciliation Act, 1996 on 19.07.2025 read with clause 42A of General Terms And Conditions of Contract which are reproduced herein as under :-

"21. Commencement of arbitral proceedings.-Unless otherwise agreed by the parties, the arbitral proceedings in respect of a particular dispute commence on the date on which a request for that dispute to be referred to arbitration is received by the respondent."

4. Clause 42A of General Terms and Conditions of Contract is as follows:-

42A. SETTLEMENT OF DISPUTES THROUGH ARBITRATION

"If the parties fail to resolve the disputes/differences by in house mechanism, then, depending on the position of the case, either the employer/owner or the contractor shall give notice to other party to refer the matter to arbitration instead of directly approaching Court. The contractor shall, however, be entitled to invoke arbitration clause only after exhausting the remedy available under the clause 42."

5. In case of parties other than Gout, agencies, the redressal of disputes/differences shall be sought through Sole Arbitration as under:-

"Sole Arbitration:

In the event of any question, dispute or difference arising under these terms & conditions or any condition contained in this contract or interpretation of the terms of, or in connection with this Contract (except as to any matter the decision of which is specially provided for by these conditions), the same shall be referred to the sole arbitration of a person, appointed to be the arbitrator by the Competent Authority of CIL / CMD of Subsidiary Company (as the case may be). The award of the arbitrator shall be final and binding on the parties of this Contract.

(a) In the event of the Arbitrator dying, neglecting or refusing to act or resigning or being unable to act for any reason, or his/her award being set aside by the court for

any reason, it shall be lawful for the Competent Authority of CIL / CMD of Subsidiary Company (as the case may be) to appoint another arbitrator in place of the outgoing arbitrator in the manner aforesaid.

b) It is further a term of this contract that no person other than the person appointed by the Competent Authority of CIL /CMD of Subsidiary Company (as the case may be) as aforesaid should act as arbitrator and that, if for any reason that is not possible, the matter is not to be referred to Arbitration at all.

Subject as aforesaid, Arbitration and Conciliation Act, 1996 as amended by Amendment Act of 2015, and the rules thereunder and any statutory modification thereof for the time being in force shall be deemed to apply to the Arbitration proceedings under this clause.

The venue of arbitration shall be the place from which the contract is issued or such other place as the Competent Authority of CIL/ CMD of Subsidiary Company (as the case may be) at his discretion may determine.”

6. Learned counsel for the applicant submits that the notice of the applicant under Section 21 of Arbitration and Conciliation Act, 1996 on 19.07.2025 was acknowledged by SECL vide letter dated 22.07.2025 and a suggestion was given regarding the constitution of the committee to address and resolve the disputes related to bona fide financial claims raised in our notice. To which the applicant company communicated consent vide letter dated. 28/07/2025 reserving the right for the appointment of the arbitrator in event of the failing of the committee to resolve the disputes. To attend the meeting pertaining to resolving the disputes raised in notice under Section 21 by the applicant to respondent, an authorization letter was sent by applicant on 26/08/2025 authorizing Mr. Amit Kumar and Mr. Masood Khan Site in-charge (Electrical & Civil) to represent the applicant company and raise its concerns on meeting to be held on 28/08/2025. Consequently a meeting was organized between the authorized representatives of the applicant and respondent company on 28/08/2025 and minutes of the meeting was prepared where by which the respondent denied all the claims of the applicant company. The respondent are proceeding in a prejudiced and

biased manner who are taking benefits of their own wrongs. The Critical equipment necessary for execution of contract was never handed over to the petitioner as per the contractual timelines yet are being subjected to bearing the extra costs and financial troubles. The General Condition of the contract agreement clause 42 A provides for settlement of disputes through the mechanism of Arbitration. The respondent SECL has failed to appoint Arbitrator after sending of Notice under Section 21 for invocation of arbitration on 19/07/2025 and more than 77 days have been elapsed excluding the statutory mandate giving 30 days to from the date of the receipt of notice under Section 21 of the act of 1996. He further submits that it was the responsibility of the SECL to provide for the critical equipment and SECL by not providing the same within stipulated period of time has committed breach of contract. The SECL is solely responsible for delay in completion of work. In support of his contentions, Mr. Mishra places reliance on the judgment of the Hon'ble Supreme Court in ***Demerara Distilleries Private Limited and Another v. Demerara Distillers Limited***, reported in (2015) 13 SCC 610.

7. Ms. Sameeksha Gupta, learned Panel Lawyer appearing for the respondents relying on the return filed on behalf of the respondents, opposes the present arbitration request application, however she submits that the respondents shall have no objection if this Court appoints any Arbitrator for resolving the dispute between the parties.
8. Learned counsel for the respondents produced a copy of the letter dated 16.07.2026, informing the Court that a meeting was held between the applicant and the respondents on 10.07.2026, and that, at the request of the applicant, 20.07.2026 has been fixed as the final opportunity for an amicable and reasoned resolution of all pending issues.
9. Learned counsel for the applicant vehemently disputed the said submission.

10. I have heard learned counsel appearing for the parties, perused the pleadings and documents appended thereto.
11. A query was put to learned counsel appearing for the parties as to whether they are agreeable for a common name who can be appointed as Arbitrator, learned counsel for the parties submitted that they would have no objection if any retired Judge of this High Court is appointed as the Sole Arbitrator. They further submit that Hon'ble Mr. Justice Arvind Kumar Verma, who is a retired Judge of this High Court may be appointed as the Sole Arbitrator.
12. In view of the above consensus between the learned counsel for the parties, **Hon'ble Mr. Justice Arvind Kumar Verma**, a retired Judge of this High Court is appointed to act as the Sole Arbitrator to resolve the dispute involved in this arbitration request between the parties.
13. The Registry is directed to communicate this order to Hon'ble Mr. Justice Arvind Kumar Verma in the proper address.
14. The remuneration of the Arbitrator shall be settled with the mutual consent of the parties.
15. The arbitration request petition, accordingly, stands **allowed**.

**Sd/-
(Ramesh Sinha)
Chief Justice**