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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
CNR No.DLHC010228952026

+ **ARB.P. 915/2026**

KRISHNA ELECTRICAL WORKS

.....Petitioner

Through: Mr. Gaurav Kumar Singh, Advocate
(through VC).

versus

GOVERNMENT OF DELHI

.....Respondent

Through: Mr. Dinesh Malik, Panel Counsel for
along with Mr. Mukesh Kumar and
Mr. Dharam Singh, JEs for Govt. of
NCT of Delhi.

CORAM:

HON'BLE MR. JUSTICE SACHIN DATTA

ORDER

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18.08.2026

1. The present petition under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as the 'A&C Act') seeks appointment of a Sole Arbitrator to adjudicate the disputes between the parties.
2. The disputes between the parties have arisen in the background of a Notice Inviting Tender (NIT) dated 23.02.2019, relating to "*Construction of Sump well and Pump House at Escape Drain No. Near RD400m*".
3. A bid was submitted by the petitioner, in response to which, a letter of acceptance bearing reference no. EE/MD-II/Acs/W-06/2018-19/1536, dated 08.03.2019, was issued in favour of the petitioner.
4. Disputes between the parties have arisen on account of alleged non-payment of the final bill raised by the petitioner.
5. Clause 25 of the General Conditions of Contract (GCC) (as amended by O.M. dated 04.09.2017, issued by the authority of Director General,



CPWD), incorporates the arbitration agreement, and the same reads as under:-

CLAUSE 25

Except where otherwise provided in the contract, all questions and disputes relating to the meaning of the specifications, design, drawings and instructions here-in before mentioned and as to the quality of workmanship or materials used on the work or as to any other question, claim, right, matter or thing whatsoever in any way arising out of or relating to the contract, designs, drawings, specifications, estimates, instructions, orders or these conditions or otherwise concerning the works or the execution or failure to execute the same whether arising during the progress of the work or after the cancellation, termination, completion or abandonment thereof shall be dealt with as mentioned hereinafter:

(i) If the contractor considers any work demanded of him to be outside the

requirements of the contract, or disputes any drawings, record or decision given in writing by the Engineer-in-Charge or if the Engineer in Charge considers any act or decision of the contractor on any matter in connection with or arising out of the contract or carrying out of the work, to be unacceptable and is disputed, such party shall promptly within 15 days of the arising of the disputes request the Chief Engineer or where there is no Chief Engineer, the Additional Director General (CE/ADG) who shall refer the disputes to Dispute Redressal Committee (DRC) within 15 days along with a list of disputes with amounts claimed if any in respect of each such dispute. The Dispute Redressal Committee (DRC) shall give the opposing party two weeks for a written response, and, give its decision within a period of 60 days extendable by 30 days by consent of both the parties from the receipt of reference from CE/ADG. The constitution of Dispute Redressal Committee (DRC) shall be as indicated in Schedule 'F'. Provided that no party shall be represented before the Dispute Redressal Committee by an advocate/legal counsel etc. If the Dispute Redressal Committee (DRC) fails to give its decision within the aforesaid period or any party is dissatisfied with the decision of Dispute Redressal Committee (DRC) or expiry of time limit given above, then either party may within a period of 30 days from the receipt of the decision of Dispute Redressal Committee (DRC), give notice to the Chief Engineer, CPWD, in charge of the work or if there be no Chief Engineer, the Additional Director General of the concerned region of CPWD or if there be no Additional Director General, the Director General, CPWD (CE/ADG/DG) for appointment of arbitrator on prescribed proforma as per Appendix XV under intimation to the other party.



The CE/ADG/DG shall in such case appoint the sole arbitrator or one of the three arbitrators as the case may be within 30 days of receipt of such a request and refer such disputes to arbitration. Wherever the Arbitral Tribunal consists of three Arbitrators, the contractor shall appoint one arbitrator within 30 days of making request for arbitration or of receipt of request by Engineer-in-charge to CE/ADG/DG for appointment of arbitrator, as the case may be, and two appointed arbitrators shall appoint the third arbitrator who shall act as the Presiding Arbitrator. In the event of

- a. A party fails to appoint the second Arbitrator, or**
- b. The two appointed Arbitrators fail to appoint the Presiding Arbitrator, then**

The Director General, CPWD shall appoint the second or Presiding Arbitrator as the case may be.

(ii) Disputes or difference shall be referred for adjudication through arbitration by a Tribunal having sole arbitrator where Tendered amount is Rs. 100 Crore or less. Where Tendered Value is more than Rs. 100 Crore, Tribunal shall consist of three Arbitrators as above. The requirements of the Arbitration and Conciliation Act, 1996 (26 of 1996) and any further statutory modifications or re-enactment thereof and the rules made there under and for the time being in force shall be applicable.

It is a term of this contract that the party invoking arbitration shall give a list of disputes with amounts claimed, if any, in respect of each such dispute along with the notice for appointment of arbitrator and giving reference to the decision of the DRC.

It is also a term of this contract that any member of the Arbitration Tribunal shall be a Graduate Engineer with experience in handling public works engineering contracts at a level not lower than Chief Engineer (Joint Secretary level of Government of India). This shall be

treated as a mandatory qualification to be appointed as arbitrator.



Parties, before or at the time of appointment of Arbitral Tribunal may agree in writing for fast track arbitration as per the Arbitration and Conciliation Act, 1996 (26 of 1996) as amended in 2015.

Subject to provision in the Arbitration and Conciliation Act, 1996 (26 of 1996) as amended in 2015 whereby the counter claims if any can be directly filed before the arbitrator without any requirement of reference by the appointing authority, the arbitrator shall adjudicate on only such disputes as are referred to him by the appointing authority and give separate award against each dispute and claim referred to him and in all cases where the total amount of the claims by any party exceeds Rs. 1,00,000/-, the arbitrator shall give reasons for the award.

It is also a term of the contract that if any fees are payable to the arbitrator, these shall be paid as per the Act

The place of arbitration shall be as mentioned in Schedule F. In case there is no mention of

place of arbitration, the arbitral tribunal shall determine the place of arbitration.

The venue of the arbitration shall be such place as may be fixed by the Arbitral Tribunal in consultation with both the parties. Failing any such agreement, then the Arbitral Tribunal shall decide the venue.

6. Disputes having arisen, the petitioner issued a notice invoking arbitration dated 07.03.2026. The same however, elicited no response. Hence, the present petition.

7. In terms of the judgment of the Supreme Court in *Perkins Eastman*



Architects DPC v. HSCC (India) Ltd, (2020) 20 SCC 760, ***TRF Limited v. Energo Engineering Projects Ltd***, (2017) 8 SCC 377, ***Bharat Broadband Network Limited v. United Telecoms Limited.***, 2019 SCC OnLine SC 547, ***SBI General Insurance Co. Ltd. v. Krish Spinning***, 2024 INSC 532, and ***Interplay between Arbitration Agreements under the Arbitration & Conciliation Act, 1996 & the Indian Stamp Act, 1899, In re***, 2023 SCC OnLine SC 1666, there is no impediment in constituting an arbitral tribunal to adjudicate the disputes between the parties.

8. Respective counsel for the parties also accede that an independent sole Arbitrator be appointed to adjudicate the disputes between the parties.

9. Accordingly, at jointly prayed, Mr. Shantanu Sharma, Advocate (Mob. No. +91 9755922222) is appointed as the Sole Arbitrator to adjudicate the disputes between the parties.

10. The respondent shall be at liberty to raise preliminary objections as regards arbitrability/jurisdiction, if any, which shall be decided by the Sole Arbitrator in accordance with law.

11. The learned Sole Arbitrator may proceed with the arbitration proceedings subject to furnishing to the parties requisite disclosure as required under Section 12 of the A&C Act.

12. Let arbitration take place under the aegis of and as per the Rules of the Delhi International Arbitration Centre (DIAC).

13. All rights and contentions of the parties in relation to the claims/counter claims are kept open, to be decided by the learned Sole Arbitrator on merits, in accordance with law.

14. Needless to say, nothing in this order shall be construed as an expression of opinion of this Court on the merits of the case.



15. The present petition stands disposed of in the above terms.

SACHIN DATTA, J

AUGUST 18, 2026/ss