

HIGH COURT OF CHHATTISGARH, BILASPUR**ARBA No. 40 of 2015**

- I S C Projects Pvt Limited A Company Duly Incorporated Under The Provisions Of The Companies Act 1956, Through Its Authorized Signatory, Having Its Office At S-2, Metropole, Adjacent To Inox, Bund Garden Road, Pune, P. S. Bund Garden, Pune, Maharashtra, 411 001

---- Petitioner**Versus**

- Steel Authority Of India Limited Through Its Deputy General Manager, (I / C) (P C C-N T K), Bhilai Steel Plant, Bhilai, District- Durg, Chhattisgarh

---- Respondent**And****ARBA No. 60 Of 2015**

- I S C Projects Pvt. Limited A Company Duly Incorporated Under The Provisions Of The Companies Act 1956, Through Its Authorized Signatory, Having Its Office At S-2, Metropole Adjacent To Inox, Bund Garden Road, Pune, P. S. Bund Garden, Pune, Maharashtra 411001

---- Petitioner**Vs**

- Steel Authority Of India Limited Through Its Deputy General Manager (I/c) (P C C - N T K), Bhilai Steel Plant, Bhilai, District Durg (Chhattisgarh)

---- Respondent

For Petitioners : Shri Sunil Otwani, Advocate.

For Respondent : Dr. N.K. Shukla, Sr. Advocate with Shri Shailendra Shukla and Shri Kasif Shakeel, Advocate in respective petitions.

Hon'ble Shri Justice Prashant Kumar Mishra

Order On Board

03/05/2016

Arbitration Application No.40 of 2015

1. This is an application under Section 11(6) of the Arbitration and Conciliation Act, 1996 for appointment of Arbitrator to adjudicate the dispute arising between the parties in relation to agreement dated 18.8.2010 for construction of railway track for plant internal yards at Bhilai Steel Plant bearing Package No.95-B.
2. Admittedly, the subject agreement provides for conciliation and arbitration in Clause-46. Clause 46.2 dealing with Arbitration provides that conciliation shall be resorted to prior to invoking Arbitration. The applicable rules for conciliation proceedings shall be that of "SCOPE forum of Conciliation and Arbitration". The word SCOPE stands for 'Standing Conference of Public Enterprises, New Delhi'. It further provides that arbitration clause is to be invoked by the parties to the contract only on failure of conciliation proceedings to amicably settle the disputes and the arbitration shall be governed in accordance with the Arbitration and Conciliation Act, 1996. Clause 46.2.5 provides that arbitration of contracts, with Indian parties, where contract value is more than Indian Rs.5 Crores and the contracts with foreign parties for value of more than Indian Rs.5 Crores and up to Indian Rs.20 Crores shall be governed by the Rules of Indian Council of Arbitration (ICA)/"SCOPE Forum of Conciliation and Arbitration" (SCFA) as agreed by the party. The venue shall be New Delhi.
3. The respondent/Steel Authority of India Limited has also informed the

petitioner about existence of arbitration clause and the requirement of raising dispute before the SCOPE Forum of Conciliation and Arbitration, New Delhi for appointment of Arbitrator vide its letter dated 29.10.2015 (Annexure-R/4).

4. In view of the foregoing, the petitioner would be at liberty to move before SCOPE Forum of Conciliation and Arbitration, New Delhi for appointment of Arbitrator to arbitrate the dispute and difference between the parties in relation to subject agreement.
5. With the above observations, the Arbitration Application stands disposed of.

Arbitration Appeal No.60 of 2015

6. Learned counsel for the parties would jointly submit that before filing of the present appeal under Section 37 of the Arbitration and Conciliation Act, 1996, the respondent/Steel Authority of India Limited has already encashed the bank guarantee, therefore, the appeal itself has been rendered infructuous.
7. In view of the above, the appeal is dismissed as infructuous. However, liberty is reserved in favour of the petitioner to move before the SCOPE Forum of Conciliation and Arbitration, New Delhi for seeking any interim relief in the matter, if the law so permits.

Sd/-
Judge
(Prashant Kumar Mishra)