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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ARB.P. 90/2017

ERA INFRA ENGINEERING LIMITED Petitioner

Through: Mr. Manoj Kumar Singh with
Ms. Arunima Singh, Advocates.

versus

STEEL AUTHORITY OF INDIA LIMITED Respondent

Through: Mr. Sharat Kapoor with Ms. Tanvi
Kalra, Advocates.

CORAM: JUSTICE S.MURALIDHAR

ORDER

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24.03.2017

1. The reply of the Respondent is taken on record.
2. In the reply it is pointed out by the Respondent that in response to the notice dated 27th October 2016 sent by the Petitioner to the Respondent invoking the arbitration clause, the Respondent informed the Petitioner by letter dated 24th December 2016 that in terms of Clause 46.2 of the Contract Agreement it should approach the Scope Forum of Conciliation and Arbitration ('SFCA'), New Delhi for appointment of an Arbitral Tribunal (AT).

3. Clause 46.2.5 reads as under:

“46.2.5 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” (SFCA) as agreed by the party. The venue shall be New Delhi.”

4. Learned counsel for the Petitioner states that the Petitioner prefers to go before the ICA rather than the SFCA.

5. There is disagreement on the interpretation of the expression "agreed by the party" occurring in Clause 46.2.5. Considering that it is the Petitioner which has first invoked the arbitration clause, which fact is not denied by the Respondent, the Court is of the view that the choice in that regard should be of the Petitioner.

6. Accordingly, the Petitioner is permitted to approach the ICA for constitution of an AT not later than ten days from today.

7. The petition is disposed of in the above terms. Order be given *dasti*.

S.MURALIDHAR, J

MARCH 24, 2017

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