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*** IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Judgment delivered on: 17.07.2017

+ **ARB.P. 252/2017**

U.B.ENGINEERING LIMITED

..... Petitioner

versus

STEEL AUTHORITY OF INDIA LIMITED

..... Respondent

Advocates who appeared in this case:

For the Petitioner

: Mr. Vikas Aggarwal

For the Respondent

: Mr. Sharat Kapoor, Ms Aashna Nanda and Ms
Tanvi Kalra.

CORAM:-

HON'BLE MR JUSTICE SANJEEV SACHDEVA

JUDGMENT

17.07.2017

SANJEEV SACHDEVA, J. (ORAL)

1. The petitioner has filed the present petition under Section 11 of the Arbitration & Conciliation Act, 1996(hereinafter referred to as 'the Act').
2. The petitioner was awarded the Contract by Contract dated 20.04.2009 read with Change Order dated 08.07.2013 for erection of plant and equipment including refractory of BOF and CCP at IISCO Steel Plant, Burnpur, West Bengal.
3. Disputes have arisen between the parties.

4. The petitioner has invoked arbitration clause contained in the Agreement.

5. The Arbitration Clause reads as under:-

“Article 10 : Conciliation & Arbitration

10.1 Any disputes, differences, whatsoever, arising between the parties out of or relating to the construction, meaning, scope, operation or effect of this Contract shall be settled between the Employer and the Contractor amicably. In case such amicable settlement is not possible, the parties shall take recourse to the conciliation proceedings for resolving such dispute, question, claim or differences. The Conciliatory Committee shall comprise of the following:

- i) A nominee of SAIL-ISP Management - Member (Independent of the Officer handling the case)*
- ii) A nominee of Contractor/ Supplier - Member (Independent of the Officer handling the case)*
- iii) Head of Law/ Law Officer of SAIL-ISP - Member and Convener*

The above Committee shall conduct the conciliation proceedings in accordance with the provisions of Arbitration and Conciliation Act 1996. The venue of the Conciliation shall be at Burnpur. The settlement so arrived at during conciliation shall be binding on both the parties and will not be called in question before any court or forum whatsoever.

Reference to Arbitration shall be made only when the conciliation has failed.

Arbitration shall be governed by the Rules of Indian Council of Arbitration (ICA)/ "SCOPE Forum of Conciliation and Arbitration (SCFA). The venue of Arbitration shall be New Delhi.”

6. Learned counsel for the parties submits that though the parties had agreed for the arbitration in terms of the Rules of Indian Council of Arbitration, however, keeping in view the nature of the disputes, they submit that the reference may be made to an independent sole Arbitrator to be appointed by the Court.

7. Accordingly, with the consent of the parties, Mr Justice R.C.Chopra, (Retired) Former Judge of this Court is appointed as the sole Arbitrator to adjudicate the disputes between the parties. This is subject to the Arbitrator making necessary disclosure under Section 12 of the Act not being ineligible under Section 12(5) of the Act.

8. The Arbitrator shall adjudicate the claims of the petitioner and counter-claims, if any, of the respondent.

9. The Arbitrator shall fix his fee in consultation with learned counsel for the parties.

10. The parties are at liberty to approach the learned Arbitrator for elucidating the necessary disclosures and for further proceedings.

11. The petition is accordingly disposed of.

12. Order *Dasti* under signatures of the Court Master to both the parties.

SANJEEV SACHDEVA, J

JULY 17, 2017

‘Sd’