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

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Date of decision: 22.12.2021

+ **LPA 492/2021**

SHUBHAM HP SECURITY FORCE INDIA PVT LTD AND ANR

..... Appellants

Through: Mr Kirti Uppal, Sr. Advocate with
Mr Navneet, Advocate.

versus

UNION OF INDIA AND ORS

..... Respondents

Through: Mr Rajesh Gogna, CGSC for
respondent no.1.
Mr Prabhas Bajaj, Advocate for
respondents no. 2 to 4.

CORAM:

HON'BLE MR JUSTICE RAJIV SHAKDHER

HON'BLE MR JUSTICE TALWANT SINGH

[Physical Hearing/Hybrid Hearing (as per request)]

RAJIV SHAKDHER, J.: (ORAL)

CM APPL. 46532/2021

1. Allowed, subject to just exceptions.

LPA 492/2021

CM APPL. 46530/2021 *[Application filed on behalf of appellants for interim relief]*

CM APPL. 46531/2021 *[Application filed on behalf of the appellants for placing additional documents on record]*

2. This appeal is directed against the order dated 08.12.2021, passed in W.P.(C) 13604/2021.

2.1. Via the impugned order, the learned single judge has dismissed the writ petition filed by the appellants, on the ground that an arbitration agreement has been entered into between the parties.

2.2. In this regard, in paragraph 4 of the impugned judgment, reference has

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been made to Article 14.2 of the Strategic Alliance Management Agreement [in short, “SAMA”], dated 18.04.2020.

3. Mr Prabhas Bajaj, who appears on behalf of respondent nos.2 to 4, in effect, Central Warehousing Corporation [in short, “CWC”], does not dispute that the agreement obtaining between the parties i.e., SAMA, also contains Article 14.1.

3.1. Article 14.1 of SAMA requires the parties to attempt an amicable resolution before a Joint Committee, constituted in terms of clause (ii) of Article 14.1.

4. Given this position, counsel for the parties say that the appeal can be disposed of, in terms of the following agreed directions:

(i) Since arbitration has been triggered by CWC, pursuant to the notice dated 30.11.2021, the appellants will have the liberty to file a reply to the said notice wherein, *inter alia*, they could take the stand that invocation of arbitration, at this juncture, is premature, in view of the provisions contained in Article 14.1 of SAMA.

(ii) If such a stand is taken, CWC will consider the same and take a decision, as to whether or not a Joint Committee is required to be constituted, in terms of Article 14.1 of SAMA.

(iii) In case, Article 14.1 of SAMA is brought into play, then obviously, the next step with regard to the arbitration proceedings will have to be deferred.

(iv) Needless to add, the appellants will act with due expedition and file a reply, within the next ten days.

(v) Once the reply is filed, CWC will take a decision based on the response tendered by the appellants, within ten days of the receipt of the same.

4.1. It is ordered accordingly.

5. We make it clear that nothing stated herein will impact the merits of the case, or the decision that the CWC may take, concerning the reply filed on behalf of the appellants.

6. Consequently, pending applications shall also stand closed.
7. Parties will act based on the digitally signed copy of the order.

(RAJIV SHAKDHER)
JUDGE

(TALWANT SINGH)
JUDGE

DECEMBER 22, 2021
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[Click here to check corrigendum, if any](#)