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

% ***Date of decision: 11.02.2022***

+ **ARB.P. 57/2022**

**SARVESH SECURITY SERVICES PVT. LTD. THROUGH: ITS
AUTHORIZED SIGNATORY COL. RETD. S.N. P. SINGH**

..... Petitioner

Through: Ms. Sneha Singh, Advocate

Versus

**SANJAY GANDHI MEMORIAL HOSPITAL THROUGH: ITS
MEDICAL SUPERINTENDENT GNCT OF DELHI**

..... Respondent

Through: Mr. Anjum Javed, Additional Standing
Counsel for GNCTD

**CORAM:
HON'BLE MR. JUSTICE SURESH KUMAR KAIT**

JUDGMENT (oral)

1. The present petition has been filed by the petitioner under Section 11 (6) (c) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator for adjudication of disputes with respondent.
2. Petitioner- a Pvt. Ltd. Company incorporated under the Indian Companies Act, 1956, claims to be an Ex-Servicemen Agency providing employment to approximately 300 Ex-Servicemen and to over 1,000 civilians.

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3. According to petitioner, a Tender No. 2014_SGMH_73756_1 dated 29.12.2014 was floated by respondent- Sanjay Gandhi Memorial Hospital, New Delhi, inviting bids to provide Security Services to the said hospital, which was awarded to the petitioner by the respondent's letter dated 26.03.2015 to deploy the security guards in the respondent's premises from the next day itself. To this effect, an Agreement dated 27.03.2015 was entered between the parties. However, during execution of the work, respondent has failed to release the due payment to the petitioner for the Security Guards services rendered to them for the period of March 2015 till December 2018 and also failed to release the security deposit in the form of FDR amounting to Rs. 15,45,000/- in spite of repeated requests

4. The claim of petitioner is that petitioner has provided the satisfactory services to the respondent and only therefore, respondent has time and again extended the contract, however, payments have remained unpaid. It is also claimed that petitioner's requests to respondent vide communications dated 14.08.2019, 06.01.2020 and 28.12.2020 to amicably resolve the disputes have also remained unanswered, therefore, petitioner its letter dated 15.06.2021 to the respondent invoked arbitration and requested for appointment of an Arbitrator in term of Clause -22 (a) of the General



Conditions of Contract. It has also been averred in the petition that another petition between the parties being ARB.P. 452/2015 was also disposed of by this Court, against which an appeal [O.M.P. (COMM) 290/2017] is pending. However, for the disputes, which is subject matter of this petition, an Arbitrator is sought to be appointed, as the respondent has failed to appoint an Arbitrator.

5. Today, learned Additional Standing Counsel, appearing on behalf of respondent has submitted that though the claims raised in the present petition are disputed, however, he has instructions to submit that this Court may appoint an Arbitrator for adjudication of disputes between the parties.

6. Pertinently, the allocation of tender / contract by the respondent by virtue of letter dated 26.03.2015 and execution of Agreement dated 27.03.2015 between the parties in respect thereof is not disputed. It is also not disputed that vide letter dated 15.06.2021, petitioner has invoked arbitration calling upon to appoint an Arbitrator in term of Clause -22 (a) of the General Conditions of Contract. However, in view of Hon'ble Supreme Court's decision in *Perkins Eastman Architects DPC & Anr. Vs. HSCC (India) Ltd.* 2019 SCC Online SC 1517, respondent cannot be permitted to appoint Arbitrator of its choice and so, learned counsel for respondent has



rightly consented to the appointment of an independent and impartial Arbitrator by this Court.

7. Accordingly, the present petition is allowed and **Mr. T.R. Naval, DHJS (Retd.) (Mobile: 9910384662)** is appointed the sole Arbitrator to adjudicate the dispute between the parties.

8. The arbitration shall be conducted under the Delhi International Arbitration Centre (DIAC). The fee of the Arbitrator shall be in accordance with the Schedule of Fees prescribed under the Delhi International Arbitration Centre (DIAC) (Administrative Cost and Arbitrators Fees) Rules, 2018.

9. The learned Arbitrator shall ensure compliance of Section 12 of Arbitration and Conciliation Act, 1996 before commencing the arbitration.

10. The present petition and pending application, if any, are accordingly disposed of.

(SURESH KUMAR KAIT)
JUDGE

FEBRUARY 11, 2022

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