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

+ **O.M.P.(I) (COMM.) 59/2025**

JINDAL STEEL AND POWER LIMITEDPetitioner

Through: Mr. Gopal Jain, Senior Advocate with
Ms. Gauri Rasgotra, Ms. Priyashree
Sharma, Mr. Girish Ahuja and Mr.
Gunav Gujral, Advocates.

versus

**UNION OF INDIA THROUGH THE
NOMINATED AUTHORITY**

.....Respondent

Through: Mr. Abhishek Gupta, CGSC for UOI
with Mr. Udit Kumar and Mr. Rajeev
Kumar Yadav, Advocates.

CORAM:

HON'BLE MR. JUSTICE MANOJ KUMAR OHRI

ORDER

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19.02.2025

IA 4453/2025 (exemption)

1. Allowed, subject to all just exceptions.
2. The application is disposed of.

O.M.P.(I) (COMM.) 59/2025

1. By way of present petition filed under Section 9 of the Arbitration and Conciliation Act, 1996, the petitioner seeks the following prayers:

“(a) Pass an order restraining the Nominated Authority from making any demand under Clause 6.3.3 of the CMDPA for replenishment of the Performance Bank Guarantee, pending the final adjudication of the present matter.

(b) Pass an order directing the Nominated Authority not to take any coercive action to terminate the CMDPA under Clause 24 of the CMDPA.



(c) Pass an order directing the Nominated Authority to deposit an amount of Rs. 27,06,30,820/- in Court pending final adjudication of the present matter.

(d) Grant ex-parte ad interim reliefs in terms of Prayer Clause (a), (b), and (c). ”

2. Issue notice.
3. Learned counsel appears on behalf of the respondent on advance copy and accepts notice.
4. Learned counsel for the petitioner submits that the parties had entered into a Coal Mine Development and Production Agreement (‘CMDPA’) dated 17.08.2022 and Clause 27 of the said Agreement thereof stipulates resolution of disputes through arbitration as governed under the A&C Act and further provides for the place of Arbitration to be Delhi.
5. After some initial submissions, learned counsel for the parties, on instructions, submit that the subject Agreement not being denied, the disputes arising in the context of the Agreement dated 17.08.2022, be adjudicated through arbitration and the present petition itself be treated as an application under Section 17 of the A&C Act.
6. In terms of the subject Agreement, the reference is to be made to an Arbitral Tribunal comprising of three Arbitrators, where the petitioner and the respondent each shall appoint one Arbitrator and such appointed Arbitrators shall appoint the 3rd Arbitrator. Learned counsel for the petitioner states, upon instructions, that the petitioner proposes the name of Hon’ble Mr. Justice Krishna Murari, Former Judge of the Supreme Court of India as its nominee Arbitrator.
7. At this stage, learned counsel for the respondent submits that the respondent seeks one week’s time to nominate its Arbitrator.



8. Accordingly, the present petition is disposed of with the following directions:

- i) The disputes between the parties under the subject Agreement are referred to the Arbitral Tribunal and the present petition itself shall be treated as an application under Section 17 of the A&C Act. Upon the respondent doing the needful, the parties shall approach the two nominated Arbitrators within one week thereafter, for the appointment of the third Arbitrator.
- ii) The respondent shall maintain the status quo insofar as the petitioner has been asked to top up the Performance Bank Guarantee to the required 100% within fifteen business days, till the application is taken up by the Arbitral Tribunal, whereafter the parties shall be at liberty to seek continuation/confirmation/modification/vacation of the said direction.
- iii) The arbitration will be held under the aegis of the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi (hereinafter, referred to as the 'DIAC'). The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators' Fees) Rules, 2018 or as the parties may agree.
- iv) The learned Arbitrators shall furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
- v) It is made clear that all the rights and contentions of the parties, including on the existence and validity of the Arbitration agreement, arbitrability of any of the claim/counter claim, any other preliminary objection, need and legality of interim relief, as well as contentions on merits of the dispute by either of the parties, are left open for adjudication by the learned arbitrator.



9. Copy of this order be uploaded on the website forthwith.

MANOJ KUMAR OHRI, J

FEBRUARY 19, 2025/rd