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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ARB.P. 485/2025

UNIQUE ENGINEERS PVT. LTD

.... Petitioner

Through: Mr. Saurav Yadav, Adv.

versus

GOVT. OF NCT DELHI

.... Respondent

Through: Ms. Astha Gupta, Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

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20.05.2025

1. This is a petition filed under Section 11 of the Arbitration and Conciliation Act, 1996, seeking appointment of an arbitrator to adjudicate the disputes between the parties, arising out of a Letter of Award dated 31.05.2014 (“Contract Agreement”).
2. The facts in the present matter are such that the respondent floated tender for construction of 200 bedded hospitals at Kaushik Enclave, Burari, Delhi – 84 (SH: Providing central AC & mechanical ventilation system).
3. On 31.05.2014, the petitioner was awarded the said work of construction *vide* the contract agreement.
4. The said contract agreement contains an arbitration clause, being Clause No. 25, which reads as under:

“If the Superintending Engineer fails to give his instructions or decision in writing within the aforesaid period or if the contractor is dissatisfied with the instructions or decision of the Superintending Engineer, the contractor may, within 15 days of the receipt of Superintending Engineer's decision, appeal to the Chief Engineer who shall afford an opportunity to the



contractor to be heard, if the latter so desires, and to offer evidence in support of his appeal. The Chief Engineer shall give his decision within 30 days of receipt of contractor's appeal. If the contractor is dissatisfied with this decision, the contractor shall within a period of 30 days from receipt of the decision, give notice to the Chief Engineer for appointment of arbitrator on prescribed proforma as per Appendix XV, failing which the said decision shall be final binding and conclusive and not referable to adjudication by the arbitrator.”

5. Since there were disputes between the parties, the petitioner invoked the arbitration clause and raised its claims before the Executive Engineer vide a demand notice dated 19.02.2024 and also raised its claims before the Superintending Engineer on the same date.
6. On 22.05.2024, the petitioner requested the Chief Engineer for referring the claims to the Dispute Redressal Committee (“DRC”) but the same was not entertained.
7. As the mandatory period to hold DRC i.e. 90 days was over as provided in Clause No. 25 of the agreement, the petitioner requested the Chief Engineer to appoint an arbitrator through notice dated 28.08.2024. However, no response was received by the petitioner.
8. On 19.11.2024, the Chief Engineer was again requested to appoint an arbitrator as per Clause No. 25 of the contract agreement but there was no response from the Chief Engineer and the request was denied without reasons.
9. A perusal of the arbitration clause shows that the petitioner has duly complied with the terms of the Clause No. 25 of the contract agreement by approaching the Executive Engineer, Superintending Engineer and thereafter, the Chief Engineer for redressal, however,



was not provided with any relief.

10. For the said reasons, I am of the view that despite repeated requests, the respondents have neither tried to adjudicate the disputes addressed by the petitioner nor have they adhered to Clause No. 25 of the contract agreement.
11. Ms. Gupta, learned counsel for the respondent, states that the respondent is ready to appoint the DRC.
12. However, now the same is not acceptable to the petitioner as the petitioner has already exhausted the entire mechanism provided by Clause No. 25 of the contract agreement.
13. For the said reasons, I am in agreement with the submissions of the petitioner. I am of the view that the petitioner has duly complied with Clause No. 25 of the contract agreement and despite and same the respondent has not taken any steps. Hence, after filing of this petition, the respondent has forfeited its right to appoint the arbitrator.
14. For the said reasons, the petition is allowed and the following directions are issued: -
 - i) Justice Rajiv Sahai Endlaw (Retd.) (Mob. No. 9717495002) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
 - ii) The arbitration will be held under the aegis and rules of the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi (hereinafter, referred to as the 'DIAC').
 - iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators'



Fees) Rules, 2018.

- iv) The learned Arbitrator is requested to 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 as to the arbitrability of any of the claim, any other preliminary objection, as well as claims/counter-claims and merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.
- vi) The parties shall approach the learned Arbitrator within two weeks from today.

15. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

MAY 20, 2025/sp

Click here to check corrigendum, if any