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

+ **ARB.P. 693/2025**

SINTEX PREFAB AND INFRA LIMITEDPetitioner

Through: Mr. Ananya Pratap Singh, Advocate.

versus

**DELHI URBAN SHELTER IMPROVEMENT
BOARD**

.....Respondent

Through: Mr. Anuj Chaturvedi and Ms. Shivani
Thakur, Advocates.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

14.08.2025

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1. This petition is filed on behalf of the Petitioner under Section 11(6) of the Arbitration and Conciliation Act, 1996 ('1996 Act') seeking appointment of a Sole Arbitrator to adjudicate the disputes between the parties.

2. Case of the Petitioner, as set out in the petition, is that Letter of Acceptance was issued in favour of the Petitioner by the Respondent on 24.02.2012 *inter alia* for construction of 7620 (G+4) five storeyed low cost housing (under JNNURM) for slum dwellers at Savda Gherwa, Phase-III. The work was divided into two groups, namely, Group I for construction of 4060 EWS houses and Group II for construction of 3560 houses. Scheduled commencement date of the work was 24.02.2012 and work was to be completed in 15 months. Petitioner alleges that due to various hindrances caused by the Respondent, work could not be completed within the stipulated period and prolonged stay of the Petitioner at the site caused significant financial set backs and losses to the Petitioner.



3. Disputes having arisen, Petitioner started sending notices and reminders for outstanding payments, but to no avail. On 18.04.2024, Petitioner notified its partial claims to the Superintending Engineer (SE) under Clause 25(i) since he was to issue written instructions/take a decision within one month on the claims. On 24.04.2024, SE wrote to the Petitioner intimating that the works completed by the Petitioner were under scrutiny of the Chief Technical Engineer and was being examined. Since no decision was taken by the SE, Petitioner made an appeal on 09.05.2024 to the Chief Engineer, who was required to take a decision within 30 days, after affording opportunity of hearing to the Petitioner. However, no decision came forth and since Dispute Redressal Committee was not in existence, Petitioner invoked Arbitration Clause 25 incorporated in the Contract by sending notice dated 11.03.2025 and called upon the Respondent to agree to appointment of a Sole Arbitrator. When Respondent failed to act even after expiry of 30 days from the date of receipt of the notice, Petitioner filed the present petition.

4. Learned counsel for the Respondent, on instructions, does not dispute existence of the arbitration agreement between the parties and consequently submits that this Court may appoint a Sole Arbitrator.

5. As there exists an arbitration clause in the Contract in question and disputes have arisen between the parties, this Court finds no impediment in appointing an Arbitrator in light of the judgment of the Supreme Court in ***SBI General Insurance Co. Ltd. v. Krish Spinning, 2024 SCC OnLine SC 1754***. Receipt of invocation notice under Section 21 of 1996 Act is admitted by the Respondent. Arbitration Clause 25 reads as follows:-



“If the contractor considers any work demanded of him to be outside the requirements of the contract, or disputes any drawings, record or decision given in writing by the Engineer-in-Charge on any matter in connection with or arising out of the contract or carrying out of the work, to be unacceptable, he shall promptly within 15 days request the Superintending Engineer in writing for written instruction or decision. Thereupon, the Superintending Engineer shall give his written instructions or decision within a period of one month from the receipt of the contractor's letter.

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 the decision of the Chief Engineer, the contractor may within 30 days from the receipt of the Chief Engineer decision, appeal before the Dispute carrying out of the work, to be unacceptable, he shall promptly within 15 days request the Superintending Engineer in writing for written instruction or decision. Thereupon, the Superintending Engineer shall give his written instructions or decision within a period of one month from the receipt of the contractor's letter. 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 the decision of the Chief Engineer, the contractor may within 30 days from the receipt of the Chief Engineer decision, appeal before the Dispute Redressal Committee (DRC) along with a list of disputes with amounts claimed in respect of each such dispute and giving reference to the rejection of his disputes by the Chief Engineer.

The Dispute Redressal Committee (DRC) shall give his decision within a period of 90 days from the receipt of Contractor's appeal. The constitution of Dispute Redressal Committee (DRC) shall be as Indicated in Schedule 'F', if the Dispute Redressal committee (DRC) fails. to give his decision within the aforesaid period or any party is dissatisfied with the decision of Dispute Redressal Committee: (DRC), then either party may within a period of 30 days from the receipt of the decision of Dispute Redressal Committee (DRC), 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.

It is a term of contract that each party invoking arbitration must exhaust the aforesaid mechanism of settlement of claims/disputes prior to invoking arbitration.”

6. Accordingly, Mr. Justice Hrishikesh Roy, former Judge of the Supreme Court of India (Mobile No. 9435040196), is appointed as the Sole Arbitrator to adjudicate the disputes between the parties. Fee of the Arbitrator shall be fixed as per Fourth Schedule of 1996 Act.
7. Learned Arbitrator shall give disclosure under Section 12 of the 1996 Act before entering upon reference.
8. It is made clear that this Court has not expressed any opinion on the merits of the case and all rights and contentions of the respective parties are left open.
9. Petition is disposed of in the aforesaid terms.

JYOTI SINGH, J

AUGUST 14, 2025/shivam