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

+ **ARB.P. 746/2025**

**SARJAN INFRACON PRIVATE LIMITED** .....Petitioner

Through: Mr. Sandeep Grover and Ms. Ankita Arora, Advocates.

versus

**TALCHER FERTILIZER LIMITED & ANR.** .....Respondents

Through: Mr. Kushank Sindhu and Mr. Dewansh Shukla, Advocates for R1.  
Mr. Priyabrat Sahu and Mr. Anil Pandey, Advocates for R2.

**CORAM:**

**HON'BLE MS. JUSTICE JYOTI SINGH**

**ORDER**

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**26.08.2025**

1. This petition is filed by the Petitioner under Section 11(5) and (6) of the Arbitration and Conciliation Act, 1996 seeking appointment of a Sole Arbitrator.
2. Disputes have arisen between the parties out of Notice Inviting Tender issued by Respondent No.2 in and around 2018 for land development, demolition/dismantling, construction and erection of civil, structural and other allied works associated with the pre-project of the fertilizer complex at Talcher, Angul District, Orissa. Petitioner asserts that it completed the project within the extended timelines and therefore, the Bank Guarantees furnished by the Petitioner towards performance security and retention money were released by the Respondent and Final Bill was partially paid. However, without any basis, Respondent No.1 vide notice



dated 08.04.2024 unlawfully raised a demand for recovery of Rs.13,67,00,000/- plus GST to which Petitioner submitted a detailed representation on 16.04.2024 pointing out the reasons why the amount was not recoverable. In view of the failure of the Respondents in clearing the outstanding dues of the Petitioner, notice invoking arbitration was issued by the Petitioner on 26.02.2025 proposing the name of a former Judge of Orissa High Court, however, vide reply dated 05.04.2025, Respondent No.1 declined to consent to the proposal. Having no option, present petition was filed by the Petitioner.

3. Learned counsel for Respondent No.1, on instructions, submits that said Respondent has no objection to appointment of a Sole Arbitrator by this Court since existence of Arbitration Agreement is not in dispute. Counsel for Respondent No.2, however, objects to reference of Respondent No.2 to arbitration on the ground that it has no role in the disputes arising between the Petitioner and Respondent No.1.

4. Insofar as Respondent No.1 is concerned, it has no objection to the appointment of an Arbitrator since existence of the arbitration agreement is not in dispute. Respondent No.2 disputes its role in the entire transaction *albeit* it is not disputed that the Tender in question was issued by Respondent No.2 and the recovery notice was also issued by the said Respondent. Be that as it may, this is an issue which is in the domain of the Arbitrator and the objection can be raised in accordance with law.

5. Accordingly, with the consent of the parties, Ms. Justice Gita Mittal, former Chief Justice of Jammu and Kashmir High Court, (Mobile No. 9818000220) is appointed as Sole Arbitrator to adjudicate the disputes between the parties. Arbitral proceedings will be held under the aegis of



Delhi International Arbitration Centre ('DIAC'). Fee of the Arbitrator shall be fixed as per fee schedule under DIAC (Administrative Cost & Arbitrators' Fees) Rules, 2018.

6. Learned Arbitrator shall give disclosure under Section 12 of the 1996 Act before entering upon reference.

7. 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. It will be open to the Respondents to raise the issue of Respondent No.2 being a veritable party in the arbitration proceedings before the learned Arbitrator, in accordance with law.

8. Petition is disposed of in the aforesaid terms.

**JYOTI SINGH, J**

**AUGUST 26, 2025/RW/YA**