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

+ **ARB.P. 773/2025**

**M/S BANSAL AND COMPANY** .....Petitioner

Through: Appearance not given

versus

**UNION OF INDIA & ANR.** .....Respondents

Through: Mr. Vikrant N Goyal, Mr. Rakshit Tyagi, Mr. Kunal Dixit, Mr. Prince Choudhary, Advs.

**CORAM:**

**HON'BLE MR. JUSTICE JASMEET SINGH**

**ORDER**

% **20.08.2025**

1. This is a petition filed under Section 11 (6) of the Arbitration and Conciliation Act, 1996, seeking appointment of an Arbitrator to adjudicate the disputes between the parties arising out of the Supply Work Order dated 15.04.2019.
2. The facts are that the petitioner is a company engaged in the business of construction and was awarded the contract for construction of High Security Weld Mesh Fence at Udaipur (1.48 Kms) and Mount Abu (3.1 Kms) by the respondent No. 2, which is a unit of respondent No. 1, through the Supply Work Order dated 15.04.2019.
3. The "Standard conditions of Supply Order" of the said Supply Work Order contained an arbitration clause being clause No. 3 which reads as under: -

*"3. Arbitration. All disputes or differences arising out of or in connection with the Supply Order shall be settled by bilateral discussions. Any dispute, disagreement or question arising out of or relating to the Supply Order or relating to construction or performance, which cannot be settled amicably, may be resolved through arbitration. The standard clause of arbitration is as per*



*Forms DPM-7, DPM-8 and DPM-9 (Available in MoD website and can be provided on request)."*

4. Additionally, the Defence Procurement Manual-2009 of the Ministry of Defence, Government of India, contained an arbitration clause as Form DPM-7 as extracted below:-

### **Form DPM-7**

#### **Format of Arbitration Clause – Indigenous Private bidders**

- (i) All disputes or differences arising out of or in connection with the present contract including the one connected with the validity of the present contract or any part thereof, should be settled by bilateral discussions.
  - (ii) Any dispute, disagreement or question arising out of or relating to this contract or relating to construction or performance (except as to any matter the decision or determination whereof is provided for by these conditions), which cannot be settled amicably, shall within sixty (60) days or such longer period as may be mutually agreed upon, from the date on which either party informs the other in writing by a notice that such dispute, disagreement or question exists, will be referred to a sole Arbitrator.
  - (iii) Within sixty (60) days of the receipt of the said notice, an arbitrator shall be nominated in writing by the authority agreed upon by the parties.
  - (iv) The sole Arbitrator shall have its seat in New Delhi or such other place in India as may be mutually agreed to between the parties.
  - (v) The arbitration proceedings shall be conducted under the Indian Arbitration and Conciliation Act, 1996 and the award of such Arbitration Tribunal shall be enforceable in Indian Courts only.
  - (vi) Each party shall bear its own cost of preparing and presenting its case. The cost of arbitration including the fees and expenses shall be shared equally by the parties, unless otherwise awarded by the sole arbitrator.
  - (vii) The parties shall continue to perform their respective obligations under this contract during the pendency of the arbitration proceedings except in so far as such obligations are the subject matter of the said arbitration proceedings.
- (Note -** In the event of the parties deciding to refer the dispute/s for adjudication to an Arbitral Tribunal then one arbitrator each will be appointed by each party and the case will be referred to the Indian Council of Arbitration (ICADR) for nomination of the third arbitrator. The fees of the arbitrator appointed by the parties shall be borne by each party and the fees of the third arbitrator, if appointed, shall be equally shared by the buyer and seller).



5. Since disputes arose between the parties, the petitioner invoked arbitration, *vide* legal notice dated 31.12.2021.

6. Mr. Goyal, learned counsel for the respondents states that he has no objection to the appointment of an Arbitrator as long as all his legal rights and counter-claims are left open for adjudication before the learned Arbitrator.

7. For the said reasons, the petition is allowed, with the following directions:

- i) Mr. Naveen Kumar Chaudhary, (Advocate) (Mob. No. 9810372713) 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.



8. The petition is disposed of in the aforesaid terms.

**JASMEET SINGH, J**

**AUGUST 20, 2025/DM**