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

+ **ARB.P. 1105/2025**

**POWER MECH PROJECTS LIMITED**

.....Petitioner

Through: Mr. Pawanjit Bindra, Sr. Advocate  
with Mr. Madhusudan, Mr. Ankit Kakkar, Mr.  
Ilamparidi, Ms. Shreya Vedantika Mehra, Ms.  
Shreya Sethi and Mr. Fazal Haroon, Advocates.

versus

**NTPC BHEL POWER PROJECTS PRIVATE LIMITED**

.....Respondent

Through: Mr. Puneet Taneja, Sr. Advocate with  
Mr. Anil Kumar, Mr. Manmohan Singh Narula  
and Mr. Amit Yadav, Advocates.

**CORAM:**

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

**ORDER**

% **29.07.2025**

**I.As. 17983/2025, 17984/2025 (Exemptions)**

1. Allowed, subject to all just exceptions.
2. Applications stand disposed of.

**ARB.P. 1105/2025**

3. 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 an Arbitrator to adjudicate the disputes between the parties.
4. To the extent relevant case of the Petitioner is that on 12.09.2015, Respondent/NTPC Bhel Power Projects Private Limited ('NTPC-BHEL') issued Notice Inviting Tender ('NIT') for execution of civil portion of Complete Coal Handling Plant including interconnection Civil Works Package at 1x500 MW, FGUTPP, Rai Bareli District, Uttar Pradesh.



Petitioner submitted its bid on 21.09.2015 and being successful was awarded the tender. On 21.01.2016, Respondent issued Letter of Intent in favour of the Petitioner followed by Letter of Award on 02.02.2016. Contract Agreement was executed between the parties on 20.06.2016.

5. It is averred by the Petitioner that on 12.07.2016, Respondent issued Notice to Proceed to the Petitioner and Petitioner commenced the work. *Albeit* stipulated Date of Completion was 12.10.2017, considering the scope and nature of work, Respondent granted extensions upto 31.12.2024 and the contract was also amended nine times in the meantime. Petitioner furnished Bank Guarantees as required. In terms of Clause 2.17.9 of GCC, Petitioner raised four bills for price variation compensation for extended period, which was certified for payment and the amounts were paid. However, to the surprise of the Petitioner, Respondent issued a letter on 19.12.2024 stating that PVC-04 Bill dated 26.12.2022 for the period November, 2017 to September, 2022 had been paid but on an erroneous computation. Petitioner was asked to refund the alleged excess amount of Rs.5,65,15,606/- failing which the money was to be recovered from the outstanding payments under the pending bills.

6. It is averred that Petitioner in turn claimed his outstanding dues leading to meetings between the parties for amicable settlement of the disputes. However, no resolution could be arrived at as Respondent was not willing to release the outstanding dues of the Petitioner. Petitioner sent a notice dated 03.03.2025 to the Respondent to consider its claims and release the amount and in the event of non-payment, Petitioner would invoke the arbitration agreement for reference of disputes. Apprehending that Respondent might recover the alleged excess amount by invoking Bank



Guarantees or reducing the amount payable, Petitioner filed OMP (I) (COMM) 81/2025 before this Court for restraining the Respondent from taking any coercive action which was disposed of on 29.05.2025 recording that there was no invocation of Bank Guarantees at that stage and in case, Respondent decided to take any such action, seven days notice will be given to the Petitioner to take recourse to legal remedies. In the meantime, Petitioner sent an invocation notice dated 03.05.2025 to the Respondent but there was no response.

7. Issue notice.

8. Mr. Anil Kumar, learned counsel accepts notice on behalf of the Respondent.

9. Learned Senior Counsel appearing for the Respondent, on instructions, submits that Respondent has no objection to appointment of a sole Arbitrator by this Court and proposes the name of Ms. Justice Rekha Palli, former Judge of this Court. Learned Senior counsel for the Petitioner, on instructions, submits that Petitioner has no objection to the name proposed.

10. Accordingly, with the consent of the parties, Ms. Justice Rekha Palli, former Judge of this Court (Mobile No. 9810012120) is appointed as a sole Arbitrator to adjudicate the disputes between the parties. As agreed, arbitral proceedings will be held under the aegis of Delhi International Arbitration Centre (DIAC) and fee of the Arbitrator shall be fixed as per fee schedule under DIAC (Administrative Cost & Arbitrators' Fees) Rules 2018.

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

12. It is open to the Respondent to file its Counter Claim, if any, before



the learned Arbitrator and needless to state that Claims/Counter Claims of the parties will be adjudicated by the learned Sole Arbitrator, in accordance with law.

13. 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.

14. Petition is allowed and disposed of in the aforesaid terms.

**JYOTI SINGH, J**

**JULY 29, 2025**

***S.Sharma/Shivam***