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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 1671/2024**
MS GAIL INDIA LIMITEDPetitioner
Through: **Mr. Namit Saxena, Mr. Shivam**
Raghuwanshi, Advs.

versus

MS NRP PROJECTS PRIVATE LIMITEDRespondent
Through: **Mr. K. Manoj Menon, Mr. Manu**
Seshadri, Mr. Siddharth Shekhar, Mr.
Sahil Manganani, Mr. Ramesh, Advs.

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

ORDER
23.04.2025

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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.
2. The petitioner had awarded the respondent a contract for laying of 24" NB dia x 1400 Meters API 5L X-80 / X-70 pipeline along with 6" NB dia [Wall Thickness (WT) 6.4 mm] CS conduit pipe for HDPE/OFC across Chandragiri River crossing and surrounding valley type area at both side of the river, through HDD method vide FOA dated 04.01.2019 with reference no. GAIL/NOIDA/C&P/PROJ/HDD/KKBMPL-II/HDD/18-005/109 with an estimated contract value of Rs. 19,68,24,000/- excluding GST.
3. The parties entered into an agreement dated 14.02.2019.
4. The agreement contained arbitration clause being Clause 59 of SCC which reads as under:



“59.0 ARBITRATION

59.1 Clause No.107.0 of GCC pertaining to Arbitration shall be replaced by the following:-

59.1.1 All disputes, controversies, or claims between the parties (except in matters where the decision of the Engineer-in-Charge is deemed to be final and binding) which cannot be mutually resolved within a reasonable time shall be referred to Arbitration by sole arbitrator.

59.1.2 The Employer/Consultant (GAIL) shall suggest a panel of three independent and distinguished persons to the other party (Bidder/Contractor/ Supplier/Buyer as the case may be) to select any one among them to act as the sole Arbitrator.

59.1.3 In the event of failure of the other party to select the sole Arbitrator within 30 days from the receipt of the communication suggesting the panel of arbitrators, the right of selection of sole Arbitrator by the other party shall stand forfeited and the Employer/Consultant shall have discretion to proceed with the appointment of the sole Arbitrator. The decision of the Employer/Consultant on the appointment of Sole Arbitrator shall be final and binding on the parties.

59.1.4 The award of the Sole Arbitrator shall be final and binding on the parties and unless directed/awarded otherwise by the Sole Arbitrator, the cost of arbitration proceedings shall be shared equally by the Parties. The arbitration proceeding shall be in English language and the venue shall be at New Delhi, India.

59.1.5 Subject to the above, the provisions of (Indian) Arbitration &



Conciliation Act, 1996 and the rules framed there under shall be applicable.

59.1.6 All matters relating to this contract are subject to the exclusive jurisdiction of the Courts situated in the State of Delhi (India).

59.1.7 Bidders/ Supplier/ Contractors may please note that the Arbitration & Conciliation Act, 1996 was enacted by the Indian Parliament and is based on United Nations Commission on International Trade Law (UNCITRAL, model law), which were prepared after extensive consultation with Arbitral Institutions and centres of International Commercial Arbitration. The United Nations General Assembly vide resolution 31/98 adopted the UNCITRAL Arbitration rules on 15 December 1976.”

5. The petitioner thereafter invoked arbitration vide legal notice dated 04.05.2024.
6. Thereafter, the present petition has been filed.
7. Respondent has filed a reply, wherein the respondent states that pursuant to the agreement dated 14.02.2019, there was another contract dated 25.04.2021 entered into between the parties.
8. Learned counsel for the respondent states that there are disputes in the said contract also and hence it would be in the interest of justice that the disputes arising out of both the contracts are referred to an Arbitrator.
9. Mr. Saxena, learned counsel for the petitioner has no objection to the same.
10. For the said reasons, the petition is allowed with the following conditions:



- i) Justice Rajiv Shakdher (Retd. Chief Justice of High Court of Himachal Pradesh) (Mob. No. 9717495004) 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.
11. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

APRIL 23, 2025/DM

Click here to check corrigendum, if any