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

+ **ARB.P. 1887/2025 & CAV 427/2025**

RAMBACHAN PANALAL SAHANI

.....Petitioner

Through: Ms. Kavya Jhavar and Ms. Helly
Panchal, Advs.

versus

HITACHI INDIA PVT. LTD

.....Respondent

Through: Ms. Rabiya Thakur, Advocate

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER

11.11.2025

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1. The present petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 by the Petitioners seeking appointment of an Arbitrator to adjudicate upon the disputes which have arisen between the Parties under a Purchase Order dated 17.02.2023.
2. Material on record indicates that the Petitioner was awarded a Purchase Order bearing No. 4000000841 for Rs. 1,80,59,250/- for execution of works at the Dahi Micro Lift Irrigation Project, Madhya Pradesh. Disputes arose between the parties regarding payment of money.
3. It is stated that the Petitioner sent a demand notice on 23.07.2025 to the Respondent claiming certain amount under several heads which, according to the Petitioner, is due and payable by the Respondent. On 29.07.2025, the Respondent replied to the said demand notice asking the Petitioner to amicably settle the dispute, however, the settlement talks failed. The Petitioner, thereafter, sent a notice under Section 21 of the Arbitration



and Conciliation Act, 1996 invoking arbitration to the Respondent on 01.09.2025 under Clause 20.9(c) of the General Conditions of Purchase of Goods. It is stated that the Respondent replied to the said notice on 25.09.2025 asking the Petitioner to withdraw the said notice and proposed bilateral talks to arrive at an amicable settlement. Since, no settlement took place, the Petitioner has approached this Court by filing the present petition seeking appointment of an Arbitrator to adjudicate upon the disputes between the parties.

4. Issue notice.

5. Ms. Rabiya Thakur, learned Counsel, accepts notice on behalf of the Respondent.

6. Learned Counsel for the Respondent states that she has no objection if an Arbitrator is appointed to adjudicate upon the disputes between the parties. However, she states that the notice under Section 21 of the Arbitration and Conciliation Act, 1996 sent by the Petitioner is defective, as the Petitioner has proposed his Arbitrator and asked the Respondent to suggest its Arbitrator whereas, the Arbitration Clause only suggests for appointment of Sole Arbitrator. She also states that the entire claim of the Petitioner is exceedingly frivolous and, therefore, the Arbitrator, so appointed, by this Court should not preclude the Respondent from claiming the cost of all the arbitration proceedings, including the cost incurred for proceedings initiated under Sections 9 and 11 of the Arbitration and Conciliation Act, 1996.

7. Clause 20.9(c) of the General Conditions of Purchase of Goods, which is an arbitration clause, reads as under:

“20.9(c) In the event any such dispute is unresolved after thirty (30) days of the commencement of such



negotiations referred to in Clause 20.9(a), such disputes arising out of or in connection with the Contract, including any question regarding its existence, validity or termination, shall be finally settled:

(i) For Contract having value of up to INR 50 Million: through adhoc arbitration. The sole arbitrator shall be appointed by the Purchaser. Such arbitration proceedings will be held in accordance with UNICTRAL rules of Arbitration and the provision of Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force shall apply to such arbitration. The venue of arbitration proceedings shall be Delhi, India.

(ii) For Contract having value of more than INR 50 Million: under the Rules of Arbitration of the Delhi International Arbitration Centre (DAC) which rules are deemed to be incorporated by reference into this Clause. The number of arbitrators shall be three (3) out of which one each shall be nominated/ appointed by the Seller and purchaser and the presiding arbitrator shall be appointed by the arbitrators aforesaid appointed by the Parties. Such arbitration proceedings will be held in consonance with the provision of Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force. The venue of arbitration proceedings shall be Delhi, India.

(iii) In case of dispute between the parties, the Supplier shall not suspend the performance of its obligations under the Contract. The cost of the arbitration shall be borne in such manner as may be specified in the award of the arbitrators. The final award by a majority of the arbitrators



rendered in writing shall be binding upon the Parties. The language of the arbitration proceedings and of all documents and communications between the parties shall be English.”

8. In view of the fact that disputes have arisen between the parties and the General Conditions of Purchase of Goods contains an arbitration clause, this Court is inclined to appoint an Arbitrator to adjudicate upon the disputes between the parties.

9. Accordingly, Justice (Retd.) Dr. Bharat Bhushan Parsoon, (Mob. No. 9999688558) is appointed as the Arbitrator to adjudicate upon the disputes between the Parties.

10. The arbitration would take place under the aegis of the Delhi International Arbitration Centre (DIAC) and would abide by its rules and regulations. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

11. The learned Arbitrator is also requested to file the requisite disclosure under Section 12(2) of the 1996 Act within a week of entering on reference.

12. All rights and contentions of the parties in relation to the claims/counter-claims are kept open, to be decided by the learned Arbitrator on their merits, in accordance with law.

13. Needless to say, nothing in this order shall be construed as an expression of this Court on the merits of the contentions of the parties.

14. The present petition stands disposed of in the above terms along with pending application(s), if any.

SUBRAMONIUM PRASAD, J

NOVEMBER 11, 2025

S. Zakir