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IN THE HIGH COURT OF DELHI AT NEW DELHI

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ARB.P. 1894/2025

M/S HVS CONSTRUCTION MATERIALS PVT. LTD. ...Petitioner

Through: Mr. Akshay Sapre & Mr. Abhijeet
Swaroop, Advs.

versus

AIRPORTS AUTHORITY OF INDIA

.....Respondent

Through: Mr. Obhirup Ghosh (Adv.), Mr.
Gagan Kochar (SM Law) and Mr. Kashish Singhal
(JE Law)

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

13.11.2025

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1. This is a petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator for adjudication of disputes between the parties.
2. The brief facts of the case are that the parties executed a Contract Agreement dated 10.04.2017 for the re-carpeting of the runway and repairs to the taxiways at Imphal Airport.
3. The General Conditions of Contract contain an arbitration clause being clause 25(ii) which reads as under:-

“Except where the decision has become final, binding and conclusive in terms of Sub Para (i) above, disputes or differences shall be referred for adjudication through arbitration by a sole arbitrator appointed by the Member (Planning) / Chairman, AAI. If the arbitrator so appointed is

unable or unwilling to act or resigns his appointment or vacates his office due to any reason whatsoever, another sole arbitrator shall be appointed in the manner aforesaid. Such person shall



be entitled to proceed with the reference from the stage at which it was left by his predecessor.

It is also a term of contract that If the contractor does not make any demand for appointment of Arbitrator in respect of any claim in writing within 120 (One hundred Twenty) days of receiving the decision / award from Dispute Resolution Committee, the claim of contractor(s) will be deemed to have been waved and absolutely barred and the AAI shall be discharged and released of all liabilities under the contract in respect of these claims .

It is term of this contract that the party invoking arbitration shall give a list of disputes with amounts claimed in respect of each such disputes alongwith the notice for appointment of arbitrator and giving reference to the rejection of their claims by the Dispute Resolution Committee.

It is also a term of this contract that no person, other than a person appointed by above mentioned appointing authority, should act as arbitrator and if for any reason that is not possible, the matter shall not be referred to arbitration at all.

The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 (26 of 1996) or any statutory modification or re-enactment thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceeding under this clause.

It is also a term of this contract that the arbitrator shall adjudicate on only such disputes as are referred to him by the appointing authority and give separate award against each dispute and claim referred to him and in all cases where the total amount of the claims by any party exceeds Rs. 1,00,000/-, the arbitrator shall give reasons for the award.



It is also a term of the contract that if any fees are payable to the arbitrator, these shall be paid equally by both the parties.

It is also a term of the contract that the arbitrator shall be deemed to have entered on the reference on the date he issues notice to both the parties calling them to submit their statement of claims and counter statement of claims. The venue of the arbitration shall be such place as may be fixed by the arbitrator in his sole discretion. The fees, if any, of the arbitrator shall, If required to be paid before the award is made and published, be paid half and half by each of the parties. The cost of the reference and of the award (including the fees, if any, of the arbitrator) shall be in the discretion of the arbitrator who may direct to any by whom and in what manner, such costs or any part thereof shall be paid and fix or settle the amount of costs to be so paid.”

4. Since there were disputes between the parties, the petitioner invoked arbitration *vide* legal notice dated 01.07.2025.
5. For the said reasons, issue notice.
6. Mr. Ghosh, learned counsel accepts notice on behalf of the respondent and has no objection to appointment of an arbitrator.
7. I am satisfied that there exists a valid arbitration clause and there are disputes between the parties which need to be adjudicated through the arbitral mechanism.
8. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) Mr. S.N. Gupta, Advocate (Mob. No. 9810077343) 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.
9. The present petition is disposed of in the aforesaid terms.

NOVEMBER 13, 2025 / (MS)

JASMEET SINGH, J