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

+ **ARB.P. 1998/2025**

ANEJA CONSTRUCTIONS INDIA LIMITEDPetitioner

Through: Mr. Sidhant Goel Adv, Mr. Mohit Goel Adv, Ms. Kratvi Kawdia Adv, Ms. Aishna Jain Adv.

versus

NTPC LIMITEDRespondent

Through: Mr. Tarkeshwar Nath, Mr. Anant Dev and Mr. Harshit Singh, Adv.

CORAM:
HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER
01.12.2025

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1. This Petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator to adjudicate on the disputes which have arisen between the parties under the Contract dated 29.12.2018.
2. Facts of the case as stated in the present Petition reveal that the parties have entered into a contract for Balance Works of Site Levelling & Infrastructure Civil Works Package for Muzaffarpur Thermal Power Project, Stage-II (2 X 195 MW). It is stated that a Letter of Award [“LOA”] was issued by the Respondent to the Petitioner on 29.12.2018 for the said Contract, to be executed in Muzaffarpur. It is also stated that both the Parties are at New Delhi.
3. Clause 20 of the LOA states that all the disputes or differences



between the parties arising out of the Contract will be settled by through the process of arbitration, while Clause 21 of the LOA provides that the Courts in Delhi shall have jurisdiction in all matters arising under the Contract.

4. Clause 56 of the General Conditions Contract [“GCC”], on which specific reliance has been placed in the LOA, provides for mechanism for conciliation before invocation of arbitration. It is further pertinent to note that under Clause 16 of the Special Conditions of Contract provides that Courts at Delhi will have exclusive jurisdiction to entertain such petition.

5. Material on record discloses that a Termination Notice cum Notice Invoking Arbitration was issued by the Petitioner to the Respondent on 09.10.2025 as per Clause 56.3 of the GCC as amended by Annexure-I to Amendment/ERRATE No. 1. It is stated that since the Respondent did not reply to the aforesaid Notice dated 09.10.2025, the Petitioner has approached this Court seeking the appointment an Arbitrator to adjudicate upon the disputes between the parties.

6. Learned Counsel for the Respondent has vehemently objected to the present Petition by drawing attention of this Court to the dispute resolution mechanism as envisaged in Clause 56 of the GCC, to submit that when the same envisages a two-tier procedure under which first the parties would explore the possibility of an amicable settlement or conciliation through Expert Settlement Council [“ESC”] and only on the failure thereof, the procedure of arbitration would be invoked. Learned Counsel for the Respondent, thus, submits that the present Petition is premature as the Petitioner has approached this Court without invoking the mechanism for settlement or conciliation through ESC.

7. This Court finds some force in contention of learned Counsel for the



Respondent, as a perusal of Clause 56.3 of the GCC as amended by Annexure-I to Amendment/ERRATE No. 1 very clearly states that only if the Engineer-in-Charge and/or ESC fail to settle the disputes between the parties, then either party may invoke arbitration.

8. Accordingly, this Court deems it appropriate to direct Petitioner is directed to invoke the procedure for settlement or conciliation through ESC first and only then invoke an arbitration, in the event that the disputes remain un-settled. If so invoked, the Respondent is directed to ensure that the process of settlement or conciliation is concluded expeditiously, preferably within a period of one month from the date of initiation of settlement or conciliation through ESC.

9. Confronted with this, learned Counsel for the Petitioner seeks permission to withdraw the present petition with liberty to approach this Court once again for appointment of an Arbitrator, in case the mechanism for settlement or conciliation fails.

10. Leave and liberty, as prayed for, is granted.

11. With the above observations, the present petition is disposed of as withdrawn. Pending application(s), if any, also stand disposed of.

SUBRAMONIUM PRASAD, J

DECEMBER 01, 2025

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