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

\# **CNR No. DLHC010234672026**

\+ ARB.P. 940/2026

ISGEC HEAVY ENGINEERING LTD .....Petitioner
Through: Mr. Shambhu Sharma, Advocate.

versus

CHENNAI PETROLEUM CORPORATION LIMITED .....Respondent
Through: Mr. Raghavendra Ross Divakar, Advocate.

CORAM:
HON'BLE MR. JUSTICE PRATEEK JALAN

O R D E R

% 27.10.2026

1. By way of the present petition under Section 11 of the Arbitration and Conciliation Act, 1996 [hereinafter "the Act"], the petitioner seeks the appointment of a sole arbitrator for adjudication of disputes arising between the parties out of the Purchase Order dated 13.07.2022 [hereinafter, "the Purchase Order"].

2. I have heard Mr. Shambhu Sharma, learned counsel for the petitioner, and Mr. Raghavendra Ross Divakar, learned counsel for the respondent.

3. The Purchase Order pertains to the supply of certain equipment to the petitioner. Clause 34.1 of the General Purchase Conditions provides for the resolution of disputes through arbitration by a sole arbitrator to be selected by the petitioner from a panel of three arbitrators nominated by

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the respondent, with New Delhi designated as the seat of arbitration. Clause 35.1 thereof confers jurisdiction upon the Courts at New Delhi.

4. Disputes having arisen between the parties, the petitioner invoked arbitration *vide* notices dated 12.06.2025 and 17.11.2025. The respondent replied *vide* letter dated 16.12.2025, without disputing the existence of the arbitration agreement. However, the parties were unable to constitute the arbitral tribunal, necessitating the filing of the present petition.

5. During the course of hearing, learned counsel for the parties submit that they are making efforts to amicably resolve their disputes and seek further time to pursue a settlement. They further submit that, in the event the mediation proceedings do not result in a settlement, the disputes may be referred to an independent arbitrator appointed by the Court, under the aegis of the Delhi International Arbitration Centre ["DIAC"].

6. In view of the above, and with the consent of learned counsel for the parties, the petition is disposed of with the following directions:

a) The parties are referred to mediation under the aegis of *Samadhan*, Delhi High Court Mediation and Conciliation Centre, Shershah Road, New Delhi-110503.

b) The parties shall appear before the learned Mediator on 18.11.2026.

c) In the event the mediation proceedings do not result in a settlement, Hon'ble Mr. Justice L. Nageswara Rao, former Judge of Supreme Court [Tel.: 9810035984], is appointed as the sole arbitrator to adjudicate the disputes arising between the parties out of the Purchase Order.

d) The arbitration proceedings shall be conducted in accordance

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with the Rules of DIAC, including the provisions governing the remuneration of the learned Arbitrator.

e) The learned Arbitrator shall furnish a declaration in terms of Section 12 of the Act before entering upon the reference.

f) DIAC is requested to defer the commencement of the arbitral proceedings for a period of eight weeks from the date of this order, to enable the parties to explore an amicable settlement through mediation.

g) In the event the parties jointly seek an extension of time to pursue mediation, DIAC may consider such request in accordance with its applicable Rules.

7. Needless to state, all rights and contentions of the parties, including those relating to the arbitrability and maintainability of the claims and the merits of the disputes, are left open for consideration in accordance with law.

8. The petition, alongwith any pending applications, stands disposed of in the aforesaid terms.

PRATEEK JALAN, J

OCTOBER 27, 2026
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