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

+ **ARB.P. 1614/2025**

M/S SPACE 4 BUSINESS SOLUTION PVT LTDPetitioner

Through: Mr. Durgesh Gupta, Advocate

Mob: 9811217093

versus

**CENTRAL BUREAU OF COMMUNICATION MINISTRY OF
IINFORMATION BROADCASTING GOVT OF INDIA AND ANR**

.....Respondents

**Through: Mr. Sushil Kumar Pandey, Mr.
Sarvesh Shrivastav, Mr. Aman Kumar
Pandey, Advocates (M:9873588234)**

CORAM:

HON'BLE MS. JUSTICE MINI PUSHKARNA

ORDER

25.02.2026

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1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 ("Arbitration Act") seeking appointment of a Sole Arbitrator for adjudication of the disputes between the parties, arising out of the Tender Document dated 24th November, 2023 for "*Outreach Campaign for Highlighting of Various Schemes and Initiatives by Ministries and Departments Through Mobile Performing Vans*".

2. Learned counsel for the petitioner submits that the petitioner is engaged in providing various types of services, *inter alia*, outreach campaign, exhibitions, printing and supplying of various types of stationary, and other publicity materials, etc.

3. He submits that the petitioner was awarded the work for campaign through mobile performing vans, by the office of Central Bureau of



Communication, under the Ministry of Information and Broadcasting, Government of India *vide* various work letters. Thereafter, in terms of the award of the said work, the petitioner entered into a separate agreement with the Central Bureau of Communication.

4. Learned counsel for the petitioner submits that in terms of the work letters, the petitioner provided the services of outreach campaign through performing vans. Consequently, the petitioner raised twelve bills amounting to Rs. 7,92,91,279/-.

5. However, even after multiple reminders, the respondents released only an amount of Rs. 5,14,69,659/-. Thus, as per the case of the petitioner, an amount of Rs. 2,78,21,620/- is outstanding amount, remaining to be paid by the respondents since March, 2024.

6. Learned counsel for the petitioner further submits that the Tender Document contains an Arbitration Clause, i.e., Clause (ii), Annexure – IV.

7. It is submitted that on account of the dispute regarding payment of dues, the petitioner invoked the aforesaid Arbitration Clause by issuing a Notice dated 12th May, 2025 under Section 21 of the Arbitration Act. However, despite the receipt of the said notice, the respondents did not reply to the same and have thereby, failed to appoint an arbitrator for adjudication of the disputes between the parties. Thus, the present petition has been filed.

8. *Per contra*, learned counsel for the respondents submits that the fundamental premise of the work orders issued by the respondents was that the payment would be released based on the work performed by the agencies. Further, the same was merely the maximum payable amount, contingent upon satisfactory execution of the work in question.

9. He submits that the pending amount claimed by the petitioner pertains



to payments withheld following the performance assessment process, on account of shortcomings in the performance of services by the petitioner.

10. Learned counsel for the respondents further submits that there exists a dedicated administrative mechanism for resolving disputes, having the very nature as the grievance raised by the petitioner. Therefore, the invocation of arbitration in the present case is pre-mature.

11. This Court notes that the Tender Document dated 24th November, 2023 issued by the Central Bureau of Communication, under the Ministry of Information and Broadcasting, Government of India, includes an Arbitration Clause at Annexure – IV for the adjudication of the disputes between the parties. The Annexure – IV of the Tender Document, containing the Arbitration Clause, is reproduced as under:

“xxx xxx xxx



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Annexure-IV

Format of Arbitration Clause – Indigenous Private Applicants

- (i) All disputes or differences arising out of or in connection with the present contract including the one connected with the validity of the present contract or any part thereof, should be settled by bilateral discussions.
 - (ii) Any dispute, disagreement or question arising out of or relating to this contract or relating to construction or performance (except as to any matter the decision or determination whereof is provided for by these conditions), which cannot be settled amicably, shall within sixty (60) days or such longer period as may be mutually agreed upon, from the date on which either party informs the other in writing by a notice that such dispute, disagreement or question exists, will be referred to a sole Arbitrator.
 - (iii) Within (60) days of the receipt of the said notice, an arbitrator shall be nominated in writing by the authority agreed upon by the parties.
 - (iv) The sole Arbitrator shall have its seat in New Delhi or such other place in India as may be mutually agreed to between the parties.
 - (v) The arbitration proceedings shall be conducted under the Indian Arbitration and Conciliation Act, 1996 and the award of such Arbitration Tribunal shall be enforceable in Indian Courts only.
 - (vi) Each party shall bear its own cost of preparing and presenting its case. The cost of arbitration including the fees and expenses shall be shared equally by the parties, unless otherwise awarded by the sole arbitrator.
 - (vii) The parties shall continue to perform their respective obligations under this contract during the pendency of the arbitration proceedings except in so far as such obligations are the subject matter of the said arbitration proceedings.
- (Note: In the event of the parties deciding to refer the dispute/s for adjudication to an Arbitral Tribunal then one arbitrator each will be appointed by each party and the case will be referred to the Delhi International Arbitration Centre for nomination of the third arbitrator. The fees of the arbitrator appointed by the parties shall be borne by each party and the fees of the third arbitrator, if appointed, shall be equally shared by the Customer and Contractor.

xxx xxx xxx”



12. The aforesaid Arbitration Clause is not disputed by learned counsel for the respondents.

13. This Court further notes the reply filed on behalf of the respondent no. 1, wherein, objection has been taken by respondent no. 1 that there exists an internal administrative dispute resolution mechanism, for addressing the payment disputes involving the performance-based settlement criteria, before the Empowered Committee, as constituted by the Ministry of Information and Broadcasting.

14. On a pointed query by this Court as to whether the present dispute, as raised by the petitioner, has been referred to the Empowered Committee of the Ministry of Information and Broadcasting, learned counsel for the respondents submits that no such reference has been made by the respondents to the Empowered Committee.

15. This Court notes that as per the Arbitration Clause, there is no specific stipulation with regard to reference of the disputes to an Empowered Committee. Further, a perusal of the said Arbitration Clause only shows that in case, a dispute cannot be settled amicably, the same shall be referred to arbitration.

16. This Court also takes note of the fact that respondents have failed to reply to the Notice dated 12th May, 2025 filed under Section 21 of the Arbitration Act, and that the matter has not been referred to the Empowered Committee by the respondents, despite the dispute having been occurred between the parties.

17. Accordingly, this Court is satisfied that there exists a valid Arbitration Clause between the parties and there are disputes between the parties, which shall be adjudicated by an Arbitrator. Therefore, this Court is of the view



that there is no impediment in appointment of a Sole Arbitrator in the present case.

18. The claim amount as per the present petition, is approximately Rs. 2,78,21,620/-, along with interest @ 24% per annum.

19. At this stage, learned counsels for the parties jointly submit that the arbitration be conducted through the Delhi International Arbitration Centre (“DIAC”).

20. Accordingly, the following directions are issued, in this regard:

- i) Mr. S.K. Tandon, Additional District and Sessions Judge (Retd.) (Mob: +91-9811719888) is appointed as the Sole Arbitrator to adjudicate the disputes between the parties.
- ii) The arbitration proceedings shall be held under the aegis and Rules of DIAC, Delhi High Court, Sher Shah Road, New Delhi.
- 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 Arbitration Act prior to entering into the reference. In the event of any impediment to the Arbitrator’s appointment on that Count, the parties are given liberty to file an appropriate application before this Court.
- v) It shall be open to the respondents to raise counter-claims, if any, in arbitration proceedings.
- vi) 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.

vii) The parties shall approach the learned Arbitrator within two (02) weeks from the date of appointment of the Arbitrator.

21. It is made clear that this Court has not expressed any opinion on the merits of the case.

22. Accordingly, the present petition is disposed of in the aforesaid terms.

23. The Registry is directed to send a copy of this order to the learned Sole Arbitrator, as well as, Secretary, DIAC for information and compliance.

MINI PUSHKARNA, J

FEBRUARY 25, 2026/au