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

% ***Date of decision: 17.09.2021***

\+ ARB.P. 781/2021

JINDAL INDIA LIMITED .....Petitioner

Through: Mr. Ishaan Chhaya, Advocate

Versus

THE ORIENTAL INSURANCE COMPANY LIMITED

.....Respondent

Through: Ms. Sakshi Gupta, Advocate

CORAM:

HON'BLE MR. JUSTICE SURESH KUMAR KAIT

J U D G M E N T ***(oral)***

1. The present petition has been preferred on behalf of petitioner seeking appointment of sole Arbitrator under the provisions of Section 11(6) of the Arbitration and Conciliation Act, 1996.

2. Petitioner claims to be producer of galvanized steel sheets, corrugated sheets and coils, and exports its products to numerous countries across the globe and also supplies galvanized and black pipe segments to the oil and gas industry. According to petitioner, respondent is a state-owned non-life insurance company in India.

3. According to petitioner, on 27.09.2021, an accidental fire broke out at

petitioner's plant at Jangalpur, which caused significant damage to its aluminum foil rolling mill. Soon thereafter, the petitioner claims to have informed the respondent about the accident, its ensuing loss and the insurance claim arising under the "Material Damage and Business Interruption" of the policy. The respondent appointed the Bhatawadekar Insurance Surveyor and Loss Assessors Private Limited for assessing the loss, and the surveyor submitted Final Survey Report on 31.08.2018, wherein he had assessed the loss at INR 13,31,13,073 against a claim of of INR 19,31 ,69,106 made by the petitioner.

4. It is asserted on behalf of petitioner, that on 31.12.2019, respondent issued INR 3,84,80,892 towards settlement of the 8I/LOP claim arising under the Policy, which also contained a pre-printed statement that petitioner was voluntarily accepting the amount. The petitioner was insisted upon by the respondent to sign the discharge voucher without any protest.

5. Vide letter dated 01.01.2020, petitioner sought a copy of the Surveyor's report from respondent, which was replied vide letter dated 02.01.2020 by the respondent but according to petitioner, the said communication did not incorporate the reasons for assessment and thereafter, all the communications made on behalf of petitioner seeking

clarification thereon have remained unanswered. Therefore, a notice dated 13.03.2021 was issued by the petitioner to the respondent invoking arbitration.

6. Learned counsel for petitioner submits that in pursuance to General Condition No.12, as contained in the insurance policy No. 311700/11/2017/711 dated 13.01.2017 by the petitioner to the respondent, the Arbitrator has to be appointed to adjudicate the disputes between the parties.

7. During the course of hearing, learned counsel for petitioner submits that vide aforesaid Notice dated 13.03.2021, petitioner has already nominated its Arbitrator but respondent has failed to respond thereto within stipulated time of 30 days, therefore, the preset petition be allowed.

8. During pendency of this petition, learned counsel for respondent had sought time to obtain instructions. Today, it is submitted by learned counsel that to resolve the disputes *inter se* parties, sole Arbitrator be appointed by this Court.

9. In view of the aforesaid, **Justice (Retd.) V.K. Shali (Mobile: 9717495000)** is appointed sole Arbitrator to adjudicate the disputes between the parties.

10. The fees of the learned Arbitrator shall be according to Fourth Schedule of the Arbitration and Conciliation Act, 1996.

11. The learned Arbitrator shall ensure compliance of Section 12 of Arbitration and Conciliation Act, 1996 before commencing the arbitration.

12. A copy of this order be sent to the learned Arbitrator for information.

(SURESH KUMAR KAIT)
JUDGE

SEPTEMBER 17, 2021
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