



2026:CGHC:26619



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NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

ARBR No. 9 of 2026

M/s Gre Environics Private Limited A Company Incorporated Under The Provisions of Companies Act, 1956 Through Its Managing Director, Mr. Rakshit Joshi Having Its Registered Office At 153, Shankar Nagar, Nagpur 440010, Maharashtra

... Applicant

versus

M/s Rama Cement Industries Private Limited. A Company Incorporated Under The Provisions of Companies Act, 1956 Through Its Managing Director/Authorised Signatory Having Its Registered Office At GK 1, Ground Floor, Rama Port, Main Road Vyapar Vihar, Bilaspur C.G. 495001

... Respondent

For Applicant : Mr. Raaj Sekhsaria, Advocate. (through video-conferencing).
For Respondent : Mr. Vaibhab Shukla, Advocate.

Hon'ble Mr. Ramesh Sinha, Chief Justice
Order on Board

30.06.2026

1. This is an application under Section 11(6) of the Arbitration and Conciliation Act, 1996 for appointment of an Arbitrator.
2. The facts, in brief, as projected by the applicant are that the applicant has been constrained to file the present application under section 11(6) of the Arbitration and Conciliation Act, 1996, on account of the failure of the respondent to nominate and/or approve to concur with the request of the applicant for the appointment of Sole Arbitrator, in terms of Arbitration clause contained in terms and conditions forming part of the Service Order No. RCIPL/CAL/GRE/SO/24-25/1071 dated 21.02.2025 (hereinafter referred as



"the SO"), for adjudicating upon the disputed between the applicant and the respondent, within the statutory period of 30 days. The applicant possesses specialized expertise in land acquisition and forest clearances. Mr. Rakshit Joshi, the Managing Director of the applicant company, is fully authorized and competent to sign and verify the present application. The respondent, M/s Rama Cement Industries Private Limited, is a company incorporated under the Companies Act and is represented through its Authorized representative. Further, the respondent, requiring land for Compensatory afforestation as a mandatory legal precondition for the diversion of forest land for your Marwatola-VII Coal Mine project in Umaria, Madhya Pradesh, engaged the applicant to provide facilitation services. Pursuant to negotiations, the respondent issued SO dated 21.02.2025. The applicant accepted the said SO on the same day, thereby concluding a binding legal contract. The said SO contains a valid and binding arbitration agreement governing the parties. The relevant clauses, 9.3 (Arbitration) and 9.4 (Jurisdiction), are reproduced hereinbelow for the kind perusal of this Court:

3. Clause 9.3.

"9.3 ARBITRATION:

Any dispute or differences whatsoever arising between the parties out of or relating to the construction, meaning, scope operation or effect of this contract or the validity or the breach thereof shall be settled by arbitration in accordance with the Arbitration and Conciliation Act 1996 as amended from time to time and the award made in pursuance thereof shall be binding on the parties."

4. JURISDICTION 9.4.

"The Courts of Bilaspur, Chhattisgarh shall have exclusive jurisdiction to decide on all matters arising out of or concerning this Service Order."

5. In strict adherence to Clause 6 of the SO, which states "Time is the essence of this order," the applicant mobilized its resources and commenced work



immediately. Within a mere four (4) days of accepting the SO, on 25.02.2025, the applicant had already submitted the formal online application on the Revenue Case Management System (RCMS) portal for allotment of government land parcels identified in Saji and Sagoriya villages of Sagar district. Concurrently, on the same day, a separate application for the issuance of the Suitability Certificate was submitted to the DFO, Sagar, to expedite the approval process.

6. Learned counsel for the applicant submits that the applicant's diligent efforts yielded immediate results. The NOC from the Gram Panchayat was secured by 03.03.2025. On 20.03.2025, a joint site visit was conducted, which was attended and verified by the respondent's own senior representatives, namely Mr. Ajit Singh Sodha and Mr. A.K. Dwivedi. On the very same day, the DFO, Sagar, issued the Suitability Certificate for 205 hectares of the identified land, thus confirming the successful completion of a major contractual milestone. Upon successful completion of these milestones, the applicant, strictly in accordance with the SO, raised its Tax Invoices on 26.03.2025 for work completed under Stage 1 and stage. Later in spirit of full cooperation, a revised invoice was aptly submitted on 27.03.2025 as per the request of the respondent. On 05.04.2025, the respondent made a partial payment of Rs. 43,91,803/- against the Stage I invoice but wrongfully withheld the substantially larger payment due for the completed Stage 2. This non-payment constituted the respondent's first material breach of its payment obligations under the SO. Notwithstanding the respondent's breach, the applicant continued to perform its obligations in good faith. The applicant's persistent liaison with the district administration resulted in another major success: on 09.04.2025, the office of the Collector, Sagar, issued the official "allotment cum demand note" for approximately 345 acres of the land identified by the applicant. Having achieved this subsequent milestone, the



applicant raised further invoices on 16.04.2025. Instead of clearing the outstanding dues, the respondent, in a communication dated 03.05.2025, embarked on a strategy of delay by suddenly citing temporary and manageable encroachments on a portion of the land, ordering that all activities be "kept in abeyance." This objection was raised in bad faith, only after the DFO had already certified the land as suitable and the Collector had issued the demand note.

7. He also submits that the applicant, in a spirit of cooperation, immediately agreed to address this objection. A joint DGPS survey was conducted from 09.05.2025 to 11.05.2025, in the full presence of the respondent's representatives. Subsequently, the applicant undertook the complex and costly task of encroachment removal, which was successfully completed by 30.05.2025, with full documentation (panchnamas, videos) provided to the respondent. On 23.06.2025, after the respondent's own representative, Mr. Satish Singhal, conducted a final physical verification and gave a conclusive verbal clearance that the land was 100% free from all hindrances, the respondent, in a manifest act of bad faith, introduced a shocking and wholly extra-contractual demand for a Bank Guarantee (BG) of Rs. 50 Lakhs as a new, arbitrary precondition for releasing the long-overdue payments. This demand, which is not supported by any clause in the SO, was rightly rejected by the applicant. The respondent's persistent refusal to make mandatory payments had a direct and foreseeable consequence. The "allotment cum demand note" dated 09.04.2025 required a timely deposit of government dues. The Collector's office issued a reminder on 28.05.2025, warning of its lapse. The respondent's failure to make the payments to the applicant (which were to be used for the project) and its own failure to deposit the government demand amount was the sole and direct cause for the said demand note to lapse. Th respondent being the reason for the



project's failure through its own breaches, then proceeded to wrongfully terminate the contract, alleging non-performance by the applicant. In its letters dated 20.08.2025 and 17.09.2025, the respondent made baseless claims that the contract had expired and vexatiously demanded a refund of the initial payment, all while attempting to unjustly enrich itself by proceeding independently with the allotment process for the very land parcels identified and cleared by the applicant and made a vexatious and unlawful demand for the refund of Rs. 43,91,803/- with 18% interest. The aforesaid acts of persistent non-payment of legitimate invoices, raising belated and shifting objections, imposing extra-contractual conditions (the BG), causing the government demand note to lapse through its own inaction, and the eventual wrongful termination of the contract, collectively constitute a fundamental and repudiatory breach of the SO by the respondent. As a direct result of these breaches, clear and substantial disputes have arisen between the parties. The applicant has a legitimate claim against the respondent for, inter alia, unpaid professional fees for work veritably completed, amounting to approximately Rs. 5,42,16,397/-, along with interest and damages.

8. On account of the aforesaid disputes, the applicant was constrained to invoke the arbitration clause 9.3. The applicant, through its counsel, issued a legal Notice dated 14.10.2025 invoking Arbitration, in accordance with Clause 9.3 of the SO. The said notice detailed the disputes and proposed the name of Hon'ble Shri Justice Sunil B. Shukre (Retired), Former Judge, Bombay High Court, as the Sole Arbitrator, requesting the respondent's written consent within thirty (30) days. The respondent, through its counsel, sent a Reply Notice dated 10.11.2025. In the said reply, in which the existence of Arbitration Clause contained in terms and conditions forming part of the Service Order No. RCIPL/CAL/GRE/SO/24-25/1071 dated 21.02.2025 was recognized. The respondent, while denying the applicant's



legitimate claims, explicitly refused to consent to the appointment of the Sole Arbitrator proposed by the applicant. Instead, the respondent counter-proposed two other names for the position of Sole Arbitrator. In view of the respondent's explicit refusal in its reply, the parties have failed to reach an agreement on the appointment of a Sole Arbitrator as contemplated under Section 11(5) of the Arbitration and Conciliation Act, 1996. 30-days period stipulated in the invocation notice has lapsed, and no consensus on an arbitrator has been achieved. The failure of the parties to agree on an arbitrator has necessitated the filing of the present application. Therefore, the cause of action for the present application under Section 11(6) of the Act is valid and subsisting. As per Clause 9.4 of the SO, the Hon'ble Court at Bilaspur, Chhattisgarh, have exclusive jurisdiction over all matters arising from the SO. Consequently, this Hon'ble Court has the requisite territorial and subject-matter jurisdiction to entertain, adjudicate, and allow the present application. The applicant has not filed any other similar application before this Hon'ble Court or any other Court of law.

9. Learned counsel for the respondent relying on the return filed on behalf of the respondent, opposes this arbitration request application, however he submits that the respondent shall have no objection if this Court appoints any Arbitrator for resolving the dispute between the parties.
10. I have heard learned counsel appearing for the parties, perused the pleadings and documents appended thereto.
11. A query was put to learned counsel appearing for the parties as to whether they are agreeable for a common name who can be appointed as Arbitrator, learned counsel for the parties submitted that they would have no objection if any retired Judge of this High Court is appointed as the Sole Arbitrator. They further submit that Hon'ble Mrs. Justice Rajani Dubey, who is a retired Judge



2026:CGHC:26619

of this High Court may be appointed as the Sole Arbitrator.

12. In view of the above consensus between the learned counsel for the parties, **Hon'ble Mrs. Justice Rajani Dubey**, a retired Judge of this High Court is appointed to act as the Sole Arbitrator to resolve the dispute involved in this arbitration request between the parties.
13. The Registry is directed to communicate this order to Hon'ble Mrs. Justice Rajani Dubey in the proper address.
14. The remuneration of the Arbitrator shall be settled with the mutual consent of the parties.
15. The arbitration request petition, accordingly, stands **allowed**.

**Sd/-
(Ramesh Sinha)
Chief Justice**