

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
IN ITS COMMERCIAL DIVISION

COMMERCIAL ARBITRATION APPLICATION NO. 434 OF 2024

Laqshya Media Ltd

...Applicant

Versus

Mumbai Metropolitan Region Development
Authority

...Respondent

***Ms. Shaneen Parikh, a/w Sanskriti Sidana, Drasti Gala, i/b Cyril
Amarchand Mangaldas for the Applicant.***

Ms. P.M. Bhansali, for Respondent.

CORAM : SOMASEKHAR SUNDARESAN, J.

DATE : JULY 24, 2025

ORDER :

1. This Application has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (***“the Act”***), seeking appointment of an arbitrator in connection with disputes and differences that are said to have arisen between the parties under an agreement dated July 29, 2021 (***“Agreement”***). The arbitration agreement is contained in Clause 13 (found at Page 80 of the Application). In the interest of brevity, the arbitration agreement is not being extracted here. Suffice it to say that this matter falls within the jurisdiction of this Court.

2. It is apparent from the record that the arbitration agreement was invoked by the Applicant on August 28, 2024. There is no reply filed to the said invocation.

3. A core objection from the Respondent- Mumbai Metropolitan Region Development Authority (“**MMRDA**”) is that the territory in which the activity pursuant to the agreement was to be carried out has been moved to the jurisdiction of the Municipal Corporation of Greater Mumbai. Therefore, to bring such facts on record, liberty had been granted to MMRDA to file an affidavit. An affidavit dated July 23, 2025 has been filed and the same is taken on record.

4. It is seen from the affidavit that at a meeting held on March 7, 2025 the parties had agreed that the agreement with MMRDA would be transitioned to new contractual terms between the Applicant and MCGM for conduct of the activity covered by the agreement between the Applicant and MMRDA. On a plain reading of the arrangement, evidently recorded in the minutes of the meeting appended to the affidavit (Exhibit ‘A’) thereof, it is obvious that all prospective activity would need to be covered outside the scope of the agreement between the parties and pursuant to an agreement to be executed between the

Applicant and MCGM. However, should there be any claims emanating from accrued rights until the point that MCGM took over from MMRDA, naturally, the arbitration agreement would cover the scope of resolving disputes pertaining to such period.

5. In these circumstances, whether the claims being raised by the Applicant would fall on either side of the dividing line would necessarily entail answering a question of fact for which the arbitral tribunal would need to examine some evidence to get a sense of whether the claim is maintainable.

6. In these circumstances, leaving the contentions on arbitrability on any facet of the dispute open, the Application is finally disposed of appointing an arbitral tribunal.

7. It is made clear that nothing in this order is an expression of an opinion on the merits, which includes the merits of whether a claim being made by the Applicant falls within the realm of the agreement with MMRDA or ought to be covered by the agreement to be executed with MCGM. Such a question would squarely fall within the domain of Section 16 of the Act, and would fall within the ambit of the arbitral tribunal to answer.

8. The Applicant also proposes that while the arbitration agreement entails a three-member arbitral tribunal, it may be more economical to proceed to arbitration by a Sole Arbitrator. Learned Advocate on behalf of MMRDA does not have instructions to agree today. Therefore, while the Application is being disposed of, an enabling framework to move to a Sole Arbitrator is also being structured in this order.

9. Within a period of one week from the date of upload of this order on the website of this Court, the parties may agree to proceed to a Sole Arbitrator. Should the parties be unable to arrive at an agreement on proceeding before a Sole Arbitrator, the nominee arbitrator on behalf of the Respondent shall be Justice (Retd.) Sadhana Jadhav, a former judge of this Court. The arbitrator nominated by the Applicant and the aforesaid nominee arbitrator shall jointly select the third arbitrator who shall be the presiding arbitrator.

10. It is hoped that MMRDA, being a public body, would also conserve resources by considering the appointment of a Sole Arbitrator. Should the parties agree to proceed before a Sole Arbitrator, the arbitrator named above i.e. Justice (Retd.) Sadhana Jadhav, a former judge of this Court shall be the Sole Arbitrator. Should MMRDA be of

the view that a matter of this nature necessarily requires three arbitrators to conduct arbitral proceedings, they shall be under no obligation to be nudged towards a Sole Arbitrator.

11. This Application is ***finally disposed of*** in the aforesaid terms.

12. All actions required to be taken pursuant to this order shall be taken upon receipt of a downloaded copy as available on this Court's website.

[SOMASEKHAR SUNDARESAN, J.]