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

+ **ARB.P. 1442/2025**

RALHAN CONSTRUCTION COMPANYPetitioner

Through: Mr Rahul Malhotra, Ms Sneha
Agarwal, Advs.

versus

MAHANAGAR TELEPHONE NIGAM LIMITED

.....Respondent

Through:

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **06.11.2025**

1. This is a petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator.
2. The brief facts of the case are that the petitioner was awarded the contract for construction of telephone workshop-cum-administrative building including internal electric installations at Sector-6, Dwarka, New Delhi, by the Executive Engineer (P) C-I of the respondent.
3. An Agreement dated 16.04.2008 bearing No. 01/(EE)(P)C-1/MTNL-2008-09 was executed between the parties.
4. The General Conditions of Contract contain an arbitration clause being Clause 53 which reads as under:

“Arbitration

Settlement of disputes



For Contract other than with Public Sector Undertakings

Except where otherwise expressly provided in the contract all questions differences, & disputes relating to the meaning of the specifications, designs, drawings and instructions herein before mentioned and as to the quality of workmanship or materials used on the work or as to any other question, claim, right matter or thing whatsoever in any way arising out of or relating to the contract, designs, drawings, specifications, estimates instructions, orders or these conditions or otherwise concerning the works or the execution or failure to completion, cancellation, termination or abandonment thereof shall be referred to the sole arbitration of the person to be appointed by the CE(BW), MTNL, Delhi (in charge of work) at the time of dispute or if there is no Chief Engineer, the Administrative Head of the said MTNL Delhi at the time of such appointment. There will be no objection to any such appointment that the arbitrator so appointed is a Government/MTNL servant, that he had to deal with the matters to which the contract relates and that in the course of his duties as Government/MTNL servant he has expressed views on all or any of the matters in dispute, or difference. The arbitrator to whom the matter is originally referred being transferred or vacating his office or being unable to act for any reason, CE(BW) of MTNL as aforesaid at the time of such transfer, vacation of office or inability to act, shall appoint another person to act as arbitrator in accordance with the terms of the contract. Such person shall be entitled to proceed with the reference from the stage at which it was left by his predecessor. It is also a term of this contract that no person other than a person appointed by



CE(BW) of the MTNL as aforesaid should act as arbitrator and if at all. In all cases where the amount of claim is Rs.75,000/- (Rupees Seventy five thousands only) and above, the arbitrator shall give reason for the award.

Subject as aforesaid the provisions of the Arbitration & Conciliation Act, 1996 or any statutory modification or re-enactment thereof and the rules made hereunder and for the time being in force shall apply to the arbitration proceeding under this clause.

It is a term of the contract that the party invoking arbitration shall specify the dispute or disputes to be referred to arbitrator under this clause together with the amount or amounts claimed in respect of each dispute.

If the contractor(s) does/do not make any demand for arbitration in respect of any claim(s) in writing within 120 days of receiving the intimation from the MTNL that the bill is ready for payment, the claim of the contractor(s) will be deemed to have been waived and absolutely barred and the MTNL shall be discharged and released of all liabilities under the contract in respect of these claims.

The decision of the Superintending Engineer regarding the quantum of reduction as well as justification thereof in respect of rates for sub-standard work which he may decide to be accepted will be final and would not be open to arbitration.”

5. Since there were disputes between the parties, the petitioner invoked arbitration vide legal notice dated 31.03.2025 and thereafter filed the present petition.
6. On the last date of hearing, the learned counsel for the respondent was



present and the parties were referred to mediation.

7. Mr. Malhotra, learned counsel for the petitioner, states that the matter has not been settled through mediation till date but the proceedings have not been formally closed. However, in view of no response by the respondent, the petitioner is no longer interested in continuing with the mediation process.

8. Nobody is appearing on behalf of the respondent and there is no reply filed by the respondent.

9. I am satisfied that there is a valid arbitration clause between the parties and that there are disputes which need to be adjudicated through arbitral mechanism.

10. For the said reasons, the petition is allowed and disposed of with the following directions:

- i) Ms. Kajal Dalal (Advocate) (Mob. No. 9780030899) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
- ii) The arbitration will be held under the aegis and rules of the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi (hereinafter, referred to as the 'DIAC').
- 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 Act prior to entering into the reference.
- v) 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.

11. The learned Arbitrator shall enter reference after 4 weeks from today and in case the respondent settles the matter with the petitioner, the Arbitrator need not proceed.

JASMEET SINGH, J

NOVEMBER 6, 2025/DM