IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THURSDAY, THE EIGHTH DAY OF OCTOBER
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA

ARBITRATION APPLICATION NO: 123 OF 2025

Between:

Ajmal Ziauddin Sanai, Son of Late. Afzal Jalaluddin Sanai, Aged about 59 years, Occupation Business, Resident of H.No 32A MLA colony Road No. 12 Banjara Hills, Hyderabad 500034, Telangana State.

...Applicant

AND

1. M/s Bajaj Electronics, having its registered office at having its corporate office at No. 6-3-666/A1 to 7, 3rd Floor, Opposite Nims Hospital, Panjagutta Main road, Hyderabad- 500082. Represented by its Partner Karan Bajaj.
2. The Electronics Mart India, having its registered office at H.No.6-1-91, Shop No. 10, Ground Floor next to Telephone Bhavan Secretariat Road, Saifabad, Hyderabad- 500004.
   Also at:
   The Electronics Mart India, having its corporate office at M.No.6-3-666/A1 to 7, 1st floor, Opposite Nims Hospital, Panjagutta Main road, Hyderabad-500082.

...Respondents

Arbitration Application under Sub-Secs (5 & 6) of Section 11 of the Arbitration and Conciliation Act, 1996 read with Para (3)(i)(c) of Scheme for appointment of Arbitrators, 2006 praying that this Hon'ble Court may be pleased to appoint a sole arbitrator for the purpose of adjudication of all the disputes that have arisen between the Applicant and the Respondent from out of and in relation to the deed dated 28-06-2018 between the Applicant and the Respondent.

Counsel for the Petitioner: Mr. Syed Hassan Bin Taher

Counsel for the Respondents: Mr. Sunil B. Ganu, Senior Counsel representing Mr. Omar A Pasha

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA

ARBITRATION APPLICATION NO.123 OF 2025
(CNR NO.HBHC010322962025)

DATE: 08.10.2026

RESERVED ON: 01.10.2026 PRONOUNCED ON: 08.10.2026
UPLOADED ON: 08.10.2026

BETWEEN:
Ajmal Ziauddin Sanai

...Applicant

AND

M/s. Bajaj Electronics and Another

...Respondents

Mr. Syed Hassan Bin Taher, learned counsel appearing for the applicant.

Mr. Sunil B Ganu, learned Senior Counsel representing Mr. Omar A Pasha, learned counsel appearing for the respondents.

ORDER:

1. The applicant has sought for the appointment of an Arbitrator to adjudicate the dispute arising out of a Lease Deed dated 28.06.2018.

2. The applicant is the lessor and the respondent No.1 is the lessee in respect of the commercial property situated at Road No.13A, Valley View, Banjara Hills, Hyderabad.

3. Clause 13 of the Lease Deed contains an Arbitration Clause which provides, *inter alia*, that if a dispute arising between the parties out of or in connection with the Lease Deed is not resolved through mutual discussions within thirty (30) days, one party shall serve a Notice on the other party and the dispute shall be finally settled by way of Arbitration under the provisions of The Arbitration and Conciliation Act, 1996 ('A&C Act') by a mutually agreed and jointly appointed arbitrator, failing which an arbitrator shall be appointed in accordance with the A&C Act.

4. Learned counsel appearing for the applicant submits that the dispute arises out of Serial No.6 ('Lease Term') of the Schedule attached to the Lease Deed which stipulates a rental period of 15 years, renewable every 5 (five) years for three terms each, with a lock-in period after each term under the same terms and conditions, from the rent commencement date of 1st July, 2018 to 30th June, 2033.

5. Counsel submits that the respondent No.1 issued a Notice of Intent to vacate on 07.03.2025 and failed to adhere to the Lease Term/Lock-In Period provided in Serial No.6 of the Schedule to the Lease Deed. Counsel further submits that the applicant accordingly issued a Notice invoking Arbitration to the

address of the respondent No.1 on 21.04.2025, nominating an arbitrator.

6. The respondent No.1 however gave two replies on 05.05.2025 and 15.05.2025, stating, *inter alia*, that the Lease Deed is closed and that the respondent No.1 will continue to occupy the premises until the applicant returns the security deposit of Rs.31.50 lakhs.

7. Learned Senior Counsel appearing for the respondent No.1/lessee submits that the respondent No.1 issued the Notice of Intent to vacate indicating that the Lease Deed had expired in 2023, without any further renewal thereafter. Senior Counsel further submits that the Lease Deed is unregistered and insufficiently stamped. Hence, in the facts and circumstances of the case, there is no valid Lease Deed at all.

8. It is also submitted that Serial No.6 of the Schedule to the Lease Deed makes it clear that the applicant seeks to foist a lease in perpetuity on the respondent No.1.

9. I have considered the submissions made on behalf of the applicant/lessor, who seeks the appointment of an arbitrator, and the respondent No.1/lessee, who disputes the very nature of the Lease Deed.

10. At the very outset, it should be pointed out that Senior Counsel appearing for the respondent No.1 has taken a fair stand and has made his submissions in accordance with the law cited on the subject.

11. From the documents, it is evident that the Arbitration Agreement contained in Clause 13 of the Lease Deed is an independent agreement which can survive on its own despite the alleged expiry of the Lease Deed in 2023. Section 11(6A) of the A&C Act provides that the Court, while considering any application under sub-sections (4), (5) or (6), shall be confined to the examination of the 'existence' of an arbitration agreement.

12. Further, the interpretation of Serial No.6 of the Schedule to the Lease Deed is a matter within the domain of arbitration, namely, whether the respondent No.1/lessee should be bound by the lock-in period contained in Serial No.6 of the Schedule. It is also settled law that the alleged infirmity of the Lease Deed itself, by virtue of being unregistered or insufficiently stamped, is a matter which can be adjudicated by an arbitrator.

13. It is evident from the rival submissions and the material on record that there is a live and subsisting dispute between the parties which squarely falls within Serial No.13 (the Arbitration

Clause of the Lease Deed). The dispute is evident from the respondent No.1's two replies to the applicant's Notice of Invocation. While the applicant claims substantial amounts by way of yearly escalations, monthly rents and the lock-in period, the respondent No.1 disputes the continuation of the Lease Deed and demands refund of the security deposit.

14. The existence of the dispute between the parties is directly relatable to and arises out of the Lease Deed. The facts further show that the applicant has established a case for appointment of an arbitrator under section 11(6) of the A&C Act.

15. In view of the above, this Court finds it appropriate to allow the Arbitration Application and appoint an arbitrator in terms of the Arbitration Clause executed between the parties.

16. In view of the submissions made by counsel appearing for the applicant and Senior Counsel appearing for the respondent No.1, Sri Justice L. Narasimha Reddy, Retired Chief Justice of Patna High Court, H.No.2-2-25/3/3, Durgabai Deshmukh Colony, Near O.U. Campus, Bagh Amberpet, Hyderabad – 500013, Mobile No.9440621406, is hereby appointed as the Sole Arbitrator to adjudicate the disputes between the parties.

The parties shall appear before the learned Arbitrator on 24.10.2026 at 11.00 A.M. along with a copy of this order. The learned Arbitrator shall thereafter proceed with the Arbitral Proceedings in accordance with law.

17. The parties are at liberty to raise all the contentious issues before the learned Arbitrator. The fee of the Arbitrator as well as the other terms and conditions, shall be settled by the parties in consultation with the Arbitrator so appointed.

18. Arbitration Application No.123 of 2025, along with all connected applications, is accordingly allowed.

SD/- M. VIJAYA BHASKER
JOINT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. Sri Justice L. Narasimha Reddy, Retired Chief Justice of Patna High Court, H.No.2-2-25/3/3, Durgabai Deshmukh Colony, near O.U. Campus, Bagh Amberpet, Hyderabad – 500013, Mobile No.9440621406 **(By Special Messenger)(Along with a Copy of affidavit and material papers)**
2. One CC to Mr. Syed Hassan Bin Taher, Advocate [OPUC]
3. One CC to Mr. Omar A Pasha, Advocate [OPUC]
4. Two CD Copies

KAM/GNK

HIGH COURT

DATED: 08/10/2026



ORDER

ARBAPPL.No.123 of 2025

ALLOWING THE
ARBITRATION
APPLICATION

15/10/26