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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ O.M.P.(I) (COMM.) 19/2026 & I.A. 1392/2026 (For Exemption)

M/S NKG INFRASTRUCTURE LTD.Petitioner

Through: Mr. Manish Gupta.
Mr.Sowmya China, Ms. Payal Singh, Ms. Manaswee Gupta and Mr. Ravi, Advocates

versus

AIRPORT AUTHORITY OF INDIA (AAI) THROUGH
DGM/JT. GM ENGG. C ENGINEER IN CHARGE

....Respondent

Through: Mr. Digvijay Rai, Mr. Archit Mishra, Advocates with Mr. PK Gorai, (GM) Law, Mr. Gagan Kochar, (SM) Law & Ms. Pragya Bansal, (JE) Law for Respondent / Airports Authority of India

CORAM:
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

ORDER
19.01.2026

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1. The present Petition, under Section 9 of the Arbitration and Conciliation Act, 1996 [***the Act***], seeks the following reliefs:

“A. Pass an order restraining the Respondent, its officers, agents and representatives from giving effect to, acting upon or in furtherance of the Show Cause Notice dated 17.12.2025, including from levying or recovering any compensation under Clause 2 of the General Conditions of Contract, pending resolution of disputes, and/or;

B. Pass an order restraining the Respondent from any coercive action but not limited to invoking, encashing or otherwise acting upon the Bank Guarantee(s) furnished by the Petitioner in relation to the subject contract, till the disputes are adjudicated as per



clause 25 of the Contract, and/or;

C. Pass an order directing the Respondent to maintain status quo with respect to the subject contract, including refraining from taking any coercive or prejudicial steps against the Petitioner pursuant to the Show Cause Notice dated 17.12.2025, and/or;

D. Pass such further or other interim orders as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case, in the interest of justice.”

2. It is admitted that Prayer B has become infructuous. Accordingly, the Petitioner confines the present Petition to Prayers A and C, as aforementioned.

3. Learned counsel for the Petitioner submits that a letter dated 13.01.2026 was issued by the Respondent in response to the notice dated 31.12.2025 issued by the Petitioner invoking arbitration. In the said letter, the Respondent proposed that the dispute resolution clause contained in Clause 25 of the Agreement be modified to the extent that the disputes between the parties be first referred to the Dispute Resolution Committee [**“DRC”**]. The said letter dated 13.01.2026 is reproduced herein below:

“No. AAI/Engg. (C)/SAP Project/2025-26/ Date: 13.01.2026

To,

M/s NKG Infrastructure Limited

204, Kailash Building

26, K.G. Marg

New Delhi - 110001.

Name of Work: Construction of Combined operational offices for DGCA BCAS, AAIB, AERA & AAI at Safdarjung Airport, New Delhi. SH: Civil, Electrical, Fire Fighting and HVAC works. Agreement No.: AAI/CHQ/Engg. (C)/SAP/Combined Operational Complex/2017; dt. 03.11.2017.

Subject: Request to refer the existing dispute for mediation through Mediation Committee of Independent Experts.

Reference: Your office letter dated 31.12.2025

Dear Sir,

Please refer the subject cited above. Vide agreement dated 03.11.2017 for “Construction of Combined operational offices for DGCA BCAS, AAIB, AERA & AAI at Safdarjung Airport, New Delhi. SH: Civil, Electrical, Fire Fighting and HVAC works”



disputes arose with regard to your letter dt. 31.12.2025 and the matter is pending for/yet to be referred for resolution/adjudication by Dispute Resolution Committee.

I/we Jt. GM (Engg. Civil), do hereby request you to provide your consent to refer our disputes/ongoing dispute to MCIE as per AAI Mediation Policy dated 15.08.2022.

I/we undertake to abide by the terms and conditions of the said policy of AAI and would not question any settlement, if arrived, through Mediation. All cost/expenses of mediation shall be borne equally by the agency/contractor and the Accepting party.

It is consented that by referring the matter to mediation, dispute resolution through DRC under clause-25 of the agreement, is dispensed with.

Yours faithfully,

Sd/-

(Anil Kumar Gupta)

Jt. GM (Engg.-Civil)/EIC
Project Safdarjung Airport

Copy to:

- 1) ED (Engg.), MIS & STD
- 2) GM (Engg.-Civil), MIS & STD, CHQ
- 3) GM (Engg.-Electrical), MIS & STD, CHQ
- 4) Jt. GM (E-E), Project
- 5) AGM (E-C)/SM(E-C)/Mgr. (E-C)”

4. Learned counsel for the Petitioner, on instructions, further submits that the Petitioner is agreeable to abide by the terms contained in the said letter, meaning thereby that, instead of referring the disputes to the DRC, the parties shall first undergo a process of mediation for the resolution of their disputes.

5. Learned counsel for the Respondent, on instructions, submits that no coercive steps shall be taken against the Petitioner till such time as the amount of compensation is duly quantified and the Petitioner is notified thereof. It is further submitted that a clear period of at least 7 working days shall be granted after such notification of quantification of compensation before taking any further steps in terms of the Agreement.

6. In view of the aforesaid submissions and consent of the parties,



the present Petition stands disposed of, along with pending application(s), if any, in terms of the observations made hereinabove.

HARISH VAIDYANATHAN SHANKAR, J.
JANUARY 19, 2026/rk/her/jk