



2026:DHC:1112



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

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Date of Decision: 05.02.2026

+ **FAO 33/2026, CM APPL. 7962/2026 & CM APPL. 7963/2026**
AMIT GUPTAAppellant

Through: Mr. B.L. Gupta, Advocate

versus

KIRAN DEVI & ANR.Respondent

Through: Mr. Rohit Kumar Singh, Mr. Akash
Kumar and Mr. Mahender Rathour,
Advocates

CORAM:

HON'BLE MR. JUSTICE MANOJ KUMAR OHRI

JUDGMENT (ORAL)

CM APPL. 7963/2026 (exemption)

1. Allowed, subject to all just exceptions.
2. The application is disposed of.

FAO 33/2026 & CM APPL. 7962/2026

1. The present appeal has been preferred on behalf of the appellant under Section 37 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as the "Arbitration Act"), assailing the order dated 24.12.2025 passed by the learned DJ-10, West District, *Tis Hazari Courts, Delhi*, as well as the arbitral award dated 25.08.2025 and the interim award dated 01.01.2025 passed by the learned Sole Arbitrator in Case Reference No. DIAC/9178/2024.
2. Vide the aforesaid order, the petition filed by appellant under section 34 of Arbitration Act came to be dismissed on 24.12.2025, whereby the appellant had sought setting aside of the arbitral award dated 25.08.2025 as



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well as the interim arbitral order dated 01.01.2025. By the said order, the Court upheld the validity of the arbitral proceedings and the awards, holding that none of the grounds urged by the Appellant satisfied the limited and restrictive parameters prescribed under Section 34 of the Arbitration Act for interference with an arbitral award.

3. Briefly put, the facts of the present case, necessary for adjudication of the present appeal, as culled out from the records, are that he appellant took on rent Flat No. CGL-162, Tower L, DLF Capital Greens-II, Shivaji Marg, Moti Nagar, New Delhi from the respondent-landlord vide an unregistered lease agreement dated 19.10.2020 for a period of eleven months commencing from 01.11.2020 to 30.09.2021 at a monthly rent of Rs.39,000/-, upon deposit of a security amount of Rs.78,000/-. Upon expiry of the said lease, the parties executed another unregistered lease agreement dated 30.10.2021 for a further period of eleven months, i.e., from 01.10.2021 to 31.08.2022, at an enhanced monthly rent of Rs.41,000/-. After the expiry of the second lease, the tenancy was not extended by mutual consent. Thereafter, the respondent issued a legal notice dated 24.04.2023 alleging non-payment of rent for the months of February to March 2023 and subsequently invoked arbitration by filing a petition on 18.08.2023. During the pendency of the arbitral proceedings, an interim order dated 01.01.2025 was passed directing the appellant to pay monthly rent at the rate of Rs.45,000/-. Ultimately, the arbitral proceedings culminated in a final award dated 25.08.2025 passed in favour of the respondent, inter alia directing the appellant to hand over vacant and peaceful possession of the suit property.

4. Learned counsel for the appellant, while assailing the impugned order, submits that the learned District Judge has failed to appreciate that the rent



agreement had already expired and, consequently, the disputes arising therefrom were no longer amenable to arbitration. It is further contended that the arbitral award was rendered beyond the statutory time limit prescribed under Section 29A of the Act. Lastly, it is urged that the arbitral award is insufficiently stamped and, therefore, liable to be set aside.

5. Learned counsel for the respondent, *per contra*, supports the impugned order, and contends that the pleadings before the learned Arbitrator were completed in the month of November, 2024, and the amended pleadings being filed in the month of March, 2025, counting the period from any date – the arbitral award passed on 25.08.2025 well within the statutory period of one year. Insofar as sufficiency of stamp is concerned, learned counsel submits that the deficient stamp already stands paid before the executing Court.

6. I have heard the learned counsel for the parties and perused the material available on record.

7. A perusal of the record reveals that the petition filed under Section 34 of the Arbitration Act was based on grounds that were either clearly inconsistent with the record or outside the limited scope of interference under Section 34(2) of the Arbitration Act. The objection that the written lease agreement between the parties had expired, it is an admitted position that the appellant continued in possession of the suit property thereafter, thereby evincing a continuation of the landlord-tenant relationship by conduct. In law, where parties continue to act in furtherance of a contractual relationship despite expiry of its formal tenure, the essential terms of the contract, including the arbitration clause, are deemed to survive and remain operative. The dispute has emanated from the tenancy agreement containing



the arbitration clause. Further, the learned Sole Arbitrator was appointed with the express consent of both parties, pursuant to which the appellant not only participated fully in the arbitral proceedings but also filed pleadings without demur.

8. In this regard, gainful reference is made on the decision of this Court in S.K. Agencies Vs. DFM Foods¹ as hereinbelow:

“14. In any event, it is well settled that an arbitration agreement survives the termination of the main contract. In Reva Electric (supra), it has been held as under:

*‘51. Section 16(1)(a) of the Arbitration and Conciliation Act, 1996 provides that an arbitration clause which forms part of the contract shall be treated as an agreement independent of the other terms of the contract. **The plain meaning of the aforesaid clause would tend to show that even on the termination of the agreement/contract, the arbitration agreement would still survive.** It also seems to be the view taken by this Court in Everest Holding Ltd. Accepting the submission of Ms. Ahmadi that the arbitration clause came to an end as the MoU came to an end by efflux of time on 31-12-2007 would lead to a very uncertain state of affairs, destroying the very efficacy of Section 16(1).*

xxx xxx xxx

54. Under Section 16(1), the legislature makes it clear that while considering any objection with respect to the existence or validity of the arbitration agreement, the arbitration clause which formed part of the contract, has to be treated as an agreement independent of the other terms of the contract. To ensure that there is no misunderstanding, Section 16(1)(b) further provides that even if the Arbitral Tribunal concludes that the contract is null and void, it should not result, as a matter of law, in an automatic invalidation of the arbitration clause. Section 16(1)(a) presumes the existence of a valid arbitration clause and mandates the same to be treated as an agreement independent of the other terms of the contract. By virtue of Section 16(1)(b), it continues to be enforceable notwithstanding a declaration of the contract being null and void. In view of the provisions contained in Section 16(1) of the Arbitration and Conciliation Act, 1996, it would not be possible to accept the submission of Ms. Ahmadi that with the

¹ 2023 SCC OnLine Del 8148



termination of the MoU on 31-12-2007, the arbitration clause would also cease to exist.’”

9. It is further noted that the deficit stamp duty has already been paid before the executing court. In any case, issues relating to stamp duty do not by themselves invalidate an arbitral award before the stage of execution. In this regard, relevant extract of decision of this Court in Mohini Electricals Ltd. v. Delhi Jal Board² is reproduced hereunder:

“31. Interestingly, I find that the Arbitration Act does not even create a legal obligation on the parties in arbitration to pay stamp duty on an award. It is only when they begin taking steps to enforce the award that the parties are obligated to ensure that the instrument has been duly stamped, at which point the Court shall be guided by the provisions of Sections 33, 35 and 38 of the Indian Stamp Act, 1899. This position was reiterated by the Supreme Court in M. Anusuya Devi v. M. Manik Reddy 2003 Supp (4) SCR 853 when it held that the question whether an award is stamped or not is only relevant for enforcement proceedings, and not during the Section 34 proceedings because an arbitral award cannot be set aside on the ground of inadequate stamping. Thus, the Arbitration Act envisages that the payment of requisite stamp duty on an award shall only be required when a party is seeking to get the same enforced under Section 36.”

10. In these circumstances, it was justified in holding that none of the grounds raised by the appellant met the statutory requirements under Section 34(2) of the Arbitration Act. The dismissal of the objections filed under Section 34 was not arbitrary considering limited scope of judicial interference.

11. In view of the foregoing discussion, and considering the absence of any legally sustainable ground under Section 37 of the Arbitration Act, this Court finds no justification to interfere with the impugned order.

² 2021 SCC OnLine Del 3506



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12. The appeal, along with all pending application, is accordingly dismissed.

MANOJ KUMAR OHRI
(JUDGE)

FEBRUARY 05, 2026
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