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

+ **ARB.P. 176/2026**

RAM KUMAR SAHRAWATPetitioner

Through: Mr. Akash Sehrawat, Advocate.

versus

**MAHANAGAR TELEPHONE NIGAM LIMITED
& ANR.**

.....Respondents

Through: Mr. Prashant Sharma and Mr. Bhavya
Behwal, Advocates for R1.

Ms. Sangeeta Sondhi, Advocate for R2.

CORAM:

HON'BLE MR. JUSTICE VIKAS MAHAJAN

ORDER

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11.03.2026

1. By way of the present petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 (hereinafter 'Act of 1996'), petitioner seeks appointment of an Arbitrator to adjudicate the disputes between the parties under a lease deed dated 30.12.2014. The said agreement contains an arbitration clause 11.1 which provides for resolution of disputes between parties. The said clause reads thus:

“In the event of any question, dispute or differences arising under this agreement or in connection therewith (except as to matters the decision of which is specifically provided under this agreement), the same shall be referred to the sole arbitration by the ED, MTNL Delhi Unit (hereinafter referred to as the said officer) or any person nominated by him.”

2. Clause 11.5 of the said lease deed further provides that in case of any dispute, courts at Delhi will have the exclusive jurisdiction.



3. The disputes having arisen between the parties, the petitioner invoked the arbitration clause, by giving a notice dated 13.09.2025 to the respondent no.1. Likewise, similar notice dated 28.10.2025 was given to respondent no.2. The said notices did not elicit any response. The petitioner, therefore, has approached this Court under Section 11 of the Act of 1996.

4. Notice in the petition was issued by this Court *vide* order dated 23.01.2026.

5. Learned counsel appearing on behalf of the respondent no.1 submits that the notice has been addressed to the General Manager of MTNL, whereas arbitration clause gives the authority to the Executive Director of the MTNL to appoint an Arbitrator.

6. However, this Court finds that the arbitration clause confers the power on the Executive Director of MTNL for unilateral appointment of an Arbitrator, which is not legally permissible in view of the law laid down by the Hon'ble Supreme Court in ***Perkins Eastman Architects DPC and Anr. vs. HSCC (India) Limited, (2020) 20 SCC 760***. Therefore, there is no substance in the submission that the notice ought to have been addressed to the Executive Director for appointment of an Arbitrator. The petitioner has rightly approached this Court for the appointment of an Arbitrator by invoking Section 11 of the Act.

7. At the stage of proceedings under Section 11 of the Act of 1996, the Court only requires to satisfy itself *prima facie* as to the existence of arbitration agreement and all other questions are left to be determined by the learned Arbitrator.

8. Since, there is no dispute with regard to the arbitration clause, the petition is liable to be allowed.



9. At this stage, Ms. Sangeeta Sondhi, learned counsel appearing on behalf of respondent no.2 submits that the agreement which contains an arbitration clause is not binding on the respondent no.2, inasmuch as respondent no.2 is not a party to the said agreement. Ms. Sondhi submits that all the assets are being managed by the MTNL, whereas respondent no.2 only deal in operations. The statement is taken on record.

10. In view of the said statement of Ms. Sondhi, Mr. Akash Sehrawat, learned counsel appearing on behalf of petitioner seeks to delete respondent no.2 from the array of respondents. Ordered accordingly. Let amended memo of parties be filed within a week.

11. In view of the above, dispute between the petitioner and respondent no.1 is referred to arbitration of Ms. Priti Verma, Advocate; Enrl. No. D/1964-B/2008; Mob. 7838581994.

12. The arbitration will be held under the aegis of Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi – 110003 [“DIAC”] and shall be governed by the Rules of DIAC including as to the remuneration of the learned Arbitrator.

13. The learned Arbitrator is requested to furnish a declaration under Section 12 of the Act prior to entering upon the reference.

14. It is made clear that all rights and contentions of the parties are left open for adjudication by the learned Arbitrator.

15. Petition stands disposed of in the above terms.

VIKAS MAHAJAN, J

MARCH 11, 2026/jg