



2026:DHC:9231



\$~J

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% **Judgment pronounced on: 16.10.2026**# **CNR No. DLHC010247832026**+ **ARB.P. 969/2026**

GAURAV SAXENA

.....Petitioner

Through: Md. Amaan Afsar, Mr. Shashi Kant
Upadhyay, Mr. Akbar and Mr.
Santosh, Advs.

versus

HELLO VERIFY INDIA PRIVATE LIMITED

.....Respondent

Through:

CORAM:**HON'BLE MR. JUSTICE SACHIN DATTA****JUDGMENT**

1. The present petition has been filed by the petitioner under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as “the A&C Act”) seeking appointment of a Sole Arbitrator in terms of the Employment Agreement dated 04.02.2022 (hereinafter referred to as “Agreement”) executed between the parties, in order to adjudicate the disputes that have arisen between the parties.
2. The petitioner was appointed by the respondent as General Manager (Sales) pursuant to the aforesaid Agreement dated 04.02.2022. The petitioner continued to render his services to the respondent and his last working day with the respondent company was 06.09.2024.
3. It is the case of the petitioner that upon cessation of his employment, certain amounts towards his terminal dues remained outstanding and payable



2026:DHC:9231



by the respondent. The petitioner claims a sum of Rs. 5,87,739/-, besides interest and other reliefs, towards salary dues for the period from 01.08.2024 to 06.09.2024, client meeting expenses, interest, damages etc.

4. It is submitted that despite repeated requests and reminders, the respondent company failed to clear the aforesaid alleged outstanding dues. The petitioner thereafter issued a legal demand notice dated 22.03.2025 calling upon the respondent to discharge the amounts claimed by him. The petitioner also instituted a recovery suit before the Dwarka Courts, South-West District, Delhi, which came to be disposed of on 12.12.2025 with return of the plaint.

5. Thereafter, the petitioner issued a further legal notice dated 07.09.2025 alleging, *inter alia*, commission of offences of forgery and cheating, to which the respondent issued its response on 12.09.2025.

6. Since the disputes between the parties continued to subsist, the petitioner invoked the arbitration agreement by issuing a notice dated 19.12.2025 under Section 21 of the A&C Act, calling upon the respondent to appoint a Sole Arbitrator within 15 days of receipt thereof. The respondent, however, failed to respond to the said notice or to appoint an arbitrator in terms of the Agreement.

7. The Agreement between the parties contains an Arbitration Clause, which reads as under:-

“21. Arbitration

You agree that the interpretation and enforcement of this Agreement shall be governed by the laws of India and all disputes under this Agreement shall be governed by the provisions of the Arbitration and Conciliation Act, 1996. The venue for arbitration will be New Delhi. The arbitration shall be conducted by a sole arbitrator appointed by



2026:DHC:9231



the Company, and the award of the arbitrator shall be final and binding upon you.”

8. It is evident from a bare perusal of the aforesaid clause that the parties had agreed to resolution of their disputes through arbitration and had further contemplated appointment of a Sole Arbitrator by the respondent. The petitioner having invoked the arbitration agreement by notice dated 19.12.2025 and the respondent having failed to act upon the agreed appointment procedure, the present petition under Section 11(6) of the A&C Act has been necessitated.

9. At this stage, learned counsel for the respondent has raised an objection with regard to the service of the notice dated 19.12.2025 under Section 21 of the A&C Act to the wrong address of the respondent company.

10. However, in view of the law laid down by the Supreme Court in ***Adavya Projects (P) Ltd. v. Vishal Structurals (P) Ltd.***, (2025) 9 SCC 686, the said objection would not constitute an impediment to constitution of the arbitral tribunal, particularly when the existence of the arbitration agreement between the parties is not in dispute. The Court therein has, *inter alia*, observed as under:

“44. The Delhi High Court in Alupro Building Systems (P) Ltd. v. Ozone Overseas (P) Ltd. [Alupro Building Systems (P) Ltd. v. Ozone Overseas (P) Ltd., 2017 SCC OnLine Del 7228] allowed an application under Section 34 ACA against an award passed by an arbitrator who was unilaterally appointed by the respondent therein, without issuing a notice to the petitioner therein under Section 21 ACA. The High Court proceeded to delineate the various functions served by a Section 21 notice as follows:

- (i) To inform the other party as to the claims, which will enable them to accept or dispute the claims;*
- (ii) To enable the other party to point out if certain claims are time-barred, barred by law, or untenable, or if there are counterclaims;*



2026:DHC:9231



- (iii) For arriving at a consensus for appointment of arbitrators under the arbitration agreement;
- (iv) For parties to inform each other about their proposed arbitrator, to enable the other party to raise any objections/issues regarding qualification;
- (v) To trigger the court's jurisdiction under Section 11 in case the appointment procedure fails; and
- (vi) To fix the date of commencement of arbitration for the purpose of Section 43(1).

45. The decision in *Alupro Building Systems* has been relied on by the High Court in its impugned order to hold that the notice under Section 21 is a mandatory requirement before a person can be made party to arbitral proceedings.

46. While we agree with the decision in *Alupro Building Systems* insofar as holding that the notice under Section 21 is mandatory, unless the contract provides otherwise, we do not agree with the conclusion that non-service of such notice on a party nullifies the Arbitral Tribunal's jurisdiction over him. The purpose of the Section 21 notice is clear — by fixing the date of commencement of arbitration, it enables the calculation of limitation and it is a necessary precondition for filing an application under Section 11 ACA. The other purposes served by such notice — of informing the respondent about the claims, giving the respondent an opportunity to admit and contest claims and raise counterclaims, and to object to proposed arbitrators — are only incidental and secondary. We have already held that the contents of the notice do not restrict the claims, and any objections regarding limitation and maintainability can be raised before the Arbitral Tribunal, and the ACA provides mechanisms for challenging the appointment of arbitrators on various grounds. Hence, while a Section 21 notice may perform these functions, it is not the primary or only mechanism envisaged by the ACA.

11. Since the existence of the arbitration agreement is evident from the Agreement and the disputes raised by the petitioner arise out of the said Agreement, there is no impediment to constituting an arbitral tribunal for adjudication of the disputes between the parties, as contemplated under the A&C Act and in terms of the judgments of the Supreme Court in ***SBI General Insurance Co. Ltd. v. Krish Spinning***, (2024) 12 SCC 1 and ***Interplay Between Arbitration Agreements under Arbitration Act, 1996 &***



2026:DHC:9231



Stamp Act, 1899, In re, (2024) 6 SCC 1. The said legal position has also been reiterated by the Supreme Court in **Aslam Ismail Khan Deshmukh v. ASAP Fluids Private Limited & Anr.**, (2025) 1 SCC 502 and **Maharashtra State Electricity Distribution Co. Ltd. & Ors. v. R Z Malpani**, 2026 SCC OnLine SC 553.

12. Further, in view of the judgments of the Supreme Court in **TRF Limited v. Energo Engineering Projects Ltd.**, (2017) 8 SCC 377, **Perkins Eastman Architects DPC v. HSCC (India) Ltd.**, (2020) 20 SCC 760 and **Bharat Broadband Network Limited v. United Telecoms Limited**, 2019 SCC OnLine SC 547, the respondent cannot itself undertake the appointment of an arbitrator in the facts of the present case. An independent Sole Arbitrator would, therefore, be required to be appointed for adjudication of the disputes between the parties.

13. Accordingly, Mr. Divyansh Rathi, Advocate (Mob. +91-9990987000) is appointed as the Sole Arbitrator to adjudicate the disputes between the parties arising out of the Employment Agreement dated 04.02.2022.

14. It is agreed that the learned Arbitrator would decide the jurisdictional objections raised by the respondent at the very outset, before adjudicating the disputes on merits.

15. The learned Sole Arbitrator may proceed with the arbitration proceedings subject to furnishing to the parties requisite disclosures as required under section 12 of the A&C Act, and in the event there is any impediment to the appointment on that count, the parties are given liberty to file an appropriate application in this Court.



2026:DHC:9231



16. It is agreed between the parties that the arbitration shall take place under the aegis of and as per the rules of Delhi International Arbitration Centre (DIAC).

17. All rights and contentions of the parties in relation to the claims/counter-claims are kept open, to be decided by the learned Arbitrator on merits, in accordance with law.

18. Needless to say, nothing in this order shall be construed as an expression of opinion of this court on the merits of the contentions of the parties.

19. The present petition stands disposed of in the above terms.

SACHIN DATTA, J

OCTOBER 16, 2026/ka