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

+ ARB.P. 1096/2026

TATA POWER DELHI DISTRIBUTION
LIMITED

.....Petitioner

Through: Mr. Parinay Deep Shah, Ms.
Shikha Ohri, Mr. Kartik Sharm,
Mr. Harsh Dev Singh and Ms.
Nishita Choudhary, Advs.

versus

M/S MELCON

.....Respondent

Through: Mr. Roopansh Purohit and Ms.
Narayani Sepaha, Advs.

CORAM:

HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT (ORAL)

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13.07.2026

I.A. 17537/2026 (Synopsis and list of dates)

1. Liberty granted.
2. Accordingly, the application is allowed.

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3. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996¹, seeking the appointment of a Sole Arbitrator for adjudication of the disputes arising out of the Rate Contract dated 16.02.2021, read with Amendment No. 1 dated 03.01.2023, executed between the Petitioner and the Respondent.

¹ "the Act" hereinafter



4. The Petitioner, Tata Power Delhi Distribution Limited, is a distribution licensee under the Electricity Act, 2003, whereas the Respondent is engaged in the business of manufacturing and repair and reconditioning of transformers and allied electrical equipment. Pursuant to a tender process, the parties entered into the aforesaid Rate Contract for repair and reconditioning of distribution transformers.

5. It is stated that the contractual relationship between the parties was governed by the Rate Contract read with the contract riders, Tender Conditions and the General Conditions of Contract².

6. The disputes between the parties arise out of the Respondent's alleged failure to repair and return the distribution transformers within the stipulated contractual period, resulting in claims related to distribution transformers, levy of liquidated damages and other contractual liabilities.

7. Accordingly, the Petitioner invoked the arbitration clause contained in Clause 23 of the GCC as the agreed mechanism for resolution of disputes. The relevant Arbitration Clause is reproduced hereinbelow:

“23.0 DISPUTE RESOLUTION & ARBITRATION

In case of any dispute or difference the parties shall endeavour to resolve the same through conciliatory and amicable measures within 15 Days failing which the matter may be referred by either party for resolution by the sole arbitrator to be appointed mutually by both the parties. The arbitral proceedings shall be conducted in accordance with Arbitration and Conciliation Act 1996 and the

² “GCC” hereinafter



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place of arbitration shall be Delhi. The language to be used at proceedings shall be English and the award of the arbitrator shall be final and binding on the parties. The parties shall bear their respective costs of arbitration. The associate shall continue to discharge its obligations towards due performance of the works as per the terms of the contract during the arbitration proceedings unless otherwise directed in writing by Tata Power DDL or suspended by the arbitrator. Further, Tata Power DDL shall continue making such payments as may be found due and payable to the associate for such works.”

8. It is borne out from the record that the Petitioner issued a notice dated 04.05.2026 under Section 21 of the Act invoking arbitration and nominating Mr. Indu Shekhar Jha, former Member, Central Electricity Regulatory Commission, as the Sole Arbitrator for adjudication of the disputes.

9. By a reply dated the 02.06.2026, the Respondent declined to concur with the said nomination and proposed the appointment of a mutually accepted Sole Arbitrator. However, no consensus could be arrived at between the parties, thereby necessitating the filing of the present petition.

10. Ms. Narayani Sepaha, learned Counsel appearing for Respondent submits that the Respondent has no objection to the appointment of a Sole Arbitrator to adjudicate the disputes between the parties.

11. It is well settled that, while exercising jurisdiction under Section 11 of the Act, the scope of enquiry is confined to examining the *prima*



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facie existence of an arbitration agreement³.

12. In the present case, there is no dispute with regard to the existence of a valid arbitration clause between the parties.

13. The amount stated for the claims is Rs.5 crores approx.

14. Further, the parties are *ad idem* with respect to the reference of the disputes to arbitration. In the aforesaid circumstances, this Court finds no impediment in appointing a Sole Arbitrator.

15. Accordingly, Mr. Ashish Bhagat, Advocate (Mob. No. 9810068486) is appointed as a learned Sole Arbitrator to adjudicate the disputes arisen between the parties. The learned Sole Arbitrator shall enter upon the reference within two weeks from today.

16. The learned Sole Arbitrator will proceed to the arbitration proceedings subject to furnishing requisite disclosures as required under Section 12(2) of the Act within two weeks of entering reference.

17. As requested, the arbitration shall be carried under the rules and aegis of Delhi International Arbitration Centre⁴. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

18. It shall be open to the parties to raise all pleas, including

³ **SBI General Insurance Co. Ltd. v. Krish Spinning** 2024 SCC OnLine SC 1754

⁴ "DIAC", hereinafter



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objection as to arbitrability and jurisdiction, before the learned Sole Arbitrator who shall decide the same in accordance with law.

19. It is clarified that the observations made herein are only for the purpose of deciding the present petition under Section 11(6) of the Act. The learned Sole Arbitrator shall adjudicate the disputes independently and on their own merits, uninfluenced by any observations contained in the present order.

20. Registry is directed to send a receipt of this order to Mr. Ashish Bhagat, learned Arbitrator through all permissible modes including email.

21. Accordingly, the present petition is disposed of in the above terms.

OM PRAKASH SHUKLA, J

JULY 13, 2026/ss