



O.A.No.384 of 2023

A1 Amir Islamic Educational Trust,
Represented by its Secretary / Authorised Signatory,
Mr.A.Sulaiman Badhusha

... Applicant

Vs.

M/s.Next Education India Pvt. Ltd.,
(Erstwhile M/s.Helix Technology Solutions Pvt. Ltd.),
Represented by its Authorised Signatory,
Mr.Raveendranath Kamath

... Respondent

ABDUL QUDDHOSE.J.,

This application has been filed under Section 9 of the Arbitration and Conciliation Act, 1996, seeking for an interim injunction restraining the respondent from in any manner directly or indirectly getting associated with any of the schools at Sivaganga District as per the clause 7 of Annexure II under the agreement dated 09.04.2019.

2. The brief facts leading to the filing of this application are as follows:

The applicant is an educational trust. The respondent is a service provider for setting up educational institutions. The applicant and the respondent have entered into an agreement dated 09.04.2019. Under the



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said agreement, the respondent, who is the service provider, had agreed to assist the applicant in setting up an educational institution in the District of Sivaganga, by providing all the necessary materials and faculties for the smooth functioning of the educational institution to be newly set up by the applicant with the assistance of the respondent. The agreement contains several terms and conditions. There has been delay on the part of the applicant in making payments to the respondent as per the agreement. They have stated that only due to the Covid-19 pandemic, there was a delay. The contentions of the applicant has been disputed by the respondent in its counter affidavit.

3. After discussion / negotiation, the respondent had agreed to re-schedule the payments by its e-mail dated 01.03.2023. Admittedly, the respondent, even before the first payment under the re-scheduled contract became due and payable by the applicant, has terminated the contract on 26.03.2023. As per the re-scheduled agreement, the applicant will have to make the first payment on 31.03.2023. Several allegations and counter allegations have been made by both the parties with regard to the breach committed by both of them.



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4. The applicant is an educational institution serving the students, who are still studying in the School. The applicant categorically contends in this application that the respondent has committed breach of contract and the respondent also contends that only due to the delayed payments made by the applicant, the respondent had to terminate the contract on 26.03.2023. According to them, their reputation is at stake and they have not committed any breach of contract.

5. The applicant, aggrieved by the termination order dated 26.03.2023, has filed this application under Section 9 of the Arbitration and Conciliation Act, 1996, seeking for an order of interim injunction restraining the respondent from in any manner directly or indirectly getting associated with any of the schools at Sivaganga District as per the clause 7 of Annexure II under the agreement dated 09.04.2019 entered into between the applicant and the respondent.

6. The applicant is having the benefit of an interim injunction passed by this Court in O.A.No.384 of 2023, as prayed for, from 26.04.2023. However, the respondent categorically contends that the product of the



respondent is alone sold to another School in the District of Sivaganga and it is not a case of an academic partnership.

7. According to the respondent, the agreement dated 09.04.2019 entered into between the applicant and the respondent provides for academic partnership between the applicant and the respondent, whereas, the service rendered to another school in the District of Sivaganga by the respondent is not of similar nature as only the product of the respondent is being sold to them.

8. Learned counsel for the applicant also submits that the applicant has already filed a petition under Section 11 of the Arbitration and Conciliation Act, 1996, before this Court in O.P.SR.No.95075 of 2023.

9. Both the counsels on instructions have also submitted before this Court that the applicant as well as the respondent are agreeable for the appointment of an arbitrator by this Court.



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10. This Court after hearing the submissions of both the counsels expressed its view that in the interest of both the parties to the dispute, an arbitrator can be appointed by this Court, who shall decide the interim relief sought for in this application, viz., an interim injunction restraining the respondent from in any manner directly or indirectly getting associated with any of the schools at Sivaganga District as per the clause 7 of Annexure II under the agreement dated 09.04.2019, as and when the arbitral tribunal is constituted and an application is filed by the applicant under Section 17 of the Arbitration and Conciliation Act, 1996 in accordance with law after hearing the objections of the respondent in the said application. Having had the benefit of interim injunction right from 26.04.2023, the applicant will have to be protected for a limitation period to enable the applicant to file an application under Section 17 of the Arbitration and Conciliation Act, seeking for the very same interim relief as sought for in this application. This Court is of the considered view that once an arbitral tribunal is constituted, three weeks period will suffice for the applicant to file an application under Section 17 of the Arbitration and Conciliation Act, 1996 and an advance notice of the same can also be given by the applicant to the respondent for the arbitral tribunal to expeditiously dispose of the said application in the



interest of both the parties to the dispute.

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11. Both the counsels on instructions would now submit that they are agreeable for the above mentioned arrangement. As agreed by them, this application is disposed of by issuing the following directions:

a) The applicant is permitted to file an application under Section 17 of the Arbitration and Conciliation Act, 1996, seeking for a similar interim relief before the arbitral tribunal, once it is constituted by giving an advance notice to the respondent. As and when the said application is filed, the arbitral tribunal shall decide the said application as expeditiously as possible;

b) Interim order granted earlier by this Court on 26.04.2023 in O.A.No.384 of 2023 shall stand extended for a limited period of three weeks from the date of receipt of a copy of this order.

12. (a) This Court based on the consent given by both the parties to the dispute, appoints Honourable Mr.Justice K.N.Basha, Former Judge, Madras High Court, having office at Flat No.F-1, "STAR", No.25 /1, Dr.Ambedkar Road, (Old ICF Link Road), North Thirumalai Nagar,



Villivakkam, Chennai - 600 049 as the sole arbitrator to decide the dispute between the parties arising out of the agreement dated 09.04.2019;

(b) The sole arbitrator appointed by this Court shall be paid remuneration / fees as per the schedule agreed upon by the parties to the dispute;

(c) Both the parties shall equally share the arbitrator's fees.

(d) The Arbitrator shall conduct the arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and shall complete the arbitration within the specified time as prescribed under the said Act.

13. In terms of the above, this application is disposed of. No Costs.

28.07.2023

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