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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 1379/2024 & I.A. 38618/2024**
NIDHI ARYA THROUGH POWER OF ATTORNEY HOLDER
RAMESH DALALPetitioner

Through: Mr Gaurav Dhingra, Mr Shashank
Singh, Advocates.

versus

OYO HOTELS AND HOMES PVT LTD AND ORSRespondents
Through: Mr. Arpit Srivastava and Mr. Harsh
Kaushik, Advocates for R-1 to R-4.

CORAM:
HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER
04.12.2024

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1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 by the Petitioner seeking appointment of an Arbitrator to adjudicate upon the disputes between the parties under a Service Management Agreement dated 28.04.2019.
2. Article 10 of the Service Management Agreement dated 28.04.2019 contains an arbitration clause which reads as under:

***“ARTICLE 10: DISPUTE RESOLUTION AND
GOVERNING LAWS***

10.1 Arbitration: Any dispute arising out of this Agreement and the obligations thereunder (Dispute") shall be finally settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act. 1996 or any statutory modification or re-enactment thereof for the time being in force. The Parties agree that the Dispute shall be adjudicated by a mutually appointed single arbitrator. The arbitration proceedings shall be conducted in English language and seat of arbitration shall be New Delhi.



10.2 Jurisdiction: subject to foregoing courts at New Delhi shall have exclusive jurisdiction in all matters arising out of this Agreement.

10.3 Governing Law: This Deed and any other Deed between the Parties shall be governed and construed in accordance with the laws of the Republic of India.”

3. A perusal of the Service Management Agreement dated 28.04.2019 shows that only the Petitioner and Respondent No.1 i.e., M/s OYO Hotels and Homes Pvt. Ltd (earlier known as M/s Alcot Town Planners Pvt. Ltd) are parties to the Agreement. The other Respondent Nos.1(A), (B), (C), (D), (E), (F), Respondent Nos.2(A), (B), (C), (D), (E), (F), (G), (H), Respondent Nos.3(A), (B), (C) and Respondent No.4 are not parties to the Agreement.

4. Confronted with this, the learned Counsel appearing for the Petitioner submits that at present he is inclined to drop the Respondents who are not the parties to the Agreement only for the purpose of appointment of an Arbitrator.

5. It is further submitted by the learned Counsel for the Petitioner that the Petitioner had deposited a sum of Rs.5,67,185/- towards arbitration fee and further deposited a sum of Rs.40,000/- for miscellaneous expenses as was required by the DIAC but the arbitration proceedings did not commence. The DIAC is requested to take into account the said figures while claiming further fees towards arbitration proceedings.

6. In view of the fact that disputes have arisen between the parties and the Agreement contains an arbitration clause, this Court is inclined to appoint an Arbitrator to adjudicate upon the disputes between the parties.

7. Accordingly, Mr. Sridhar Potaraju, Senior Advocate, (Mob.



No.9810343409) is appointed as an Arbitrator to adjudicate upon the disputes between the Parties.

8. The arbitration would take place under the aegis of the Delhi International Arbitration Centre (DIAC) and would abide by its rules and regulations. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.

9. The learned Arbitrator is also requested to file the requisite disclosure under Section 12(2) of the 1996 Act within a week of entering on reference.

10. 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 their merits, in accordance with law.

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

12. It is made clear that this Court has not made any observations as to whether Respondent Nos.1(A), (B), (C), (D), (E), (F), Respondent Nos.2(A), (B), (C), (D), (E), (F), (G), (H), Respondent Nos.3(A), (B), (C) and Respondent No.4 are necessary parties to the Agreement or not. It is for them to move an application under Order I Rule 10 CPC for impleadment on which a decision shall be taken by the Ld. Arbitrator without being influenced by the fact that this Court has not passed any Order in respect of these Respondents.

13. The present petition stands disposed of in the above terms, along with pending application(s), if any.

SUBRAMONIUM PRASAD, J

DECEMBER 04, 2024

S. Zakir