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

+ **ARB.P. 275/2025**

SV EDUSPORTS PVT LTD & ANR.Petitioners

Through: Mr. Rommel Khan, Ms. Tejaswita,
Mr. Anshuman Pande, Mr. Shashank
Asthana, Advocates.

versus

SPORTS AUTHORITY OF INDIA (SAI)Respondent

Through: Mr. Sugham Kr. Jha, Adv.

CORAM:

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

ORDER

% **23.04.2025**

1. This petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 ('A&C Act') seeking the appointment of a Sole Arbitrator to adjudicate the disputes that have arisen between the parties.
2. It is stated in the petition that the disputes between the parties emanate from Notification of Award dated 27th November 2019. The arbitration clause is contained in Clause 17.5 of the 'Request For Proposal (Limited)' ('RFP') The relevant clause reads as under:

"17. PENALTY CLAUSE

...

17.5 Any dispute or difference arising between EMA and SAI/Khelo India shall be mutually resolved through amicable discussions, failing which through a sole arbitrator as appointed by the Director General- SAI, arbitration proceedings would be held under the provisions of Arbitration & Conciliation Act, 1996 and any amendments thereto. **The Venue of Arbitration shall be Delhi.** The fee of the Arbitrators and procedure for



arbitration to be adopted shall be in accordance with the prevailing policies of SAL.

...”

(Emphasis supplied)

3. It is stated that the Request for Proposal (RFP) bearing Ref. No. KI/ASC/PRC-EMA/005/2019-20 was issued by the Respondent dated 01.10.2019.

4. It is stated that the Petitioners were among the five event management agencies empanelled by the Respondent as on 01.11.2018 and were awarded the contract pursuant to a bid process concluding on 27.11.2019.

5. It is stated that the Petitioners raised invoices for services rendered in respect of branding, media operations, printing, games operation and travel. Despite rendering the services, the Respondent has failed to release full payments under several invoices.

6. It is further stated that the Respondent, vide letter dated 19.05.2022, imposed a penalty of 9% on the Petitioner and assessed the sanctioned branding cost at Rs.1,26,42,578/-, in deviation from the Notification of Award, which stipulated Rs.1,59,81,920/-. It is stated that the Petitioners dispute both the reduced valuation and the penalty imposition.

7. It is stated that owing to the disputes which have arisen between the parties, the Petitioner invoked arbitration agreement clause 17.5 under the aforementioned agreement *vide* notice dated 20.05.2024 under Section 21 of the A&C Act. The said notice was duly served on the Respondent on 24.05.2024.

8. In light of the foregoing facts, the Petitioner is approaching this Court for appointment of a Sole Arbitrator under Section 11(6) of the Act.



Arguments of the Respondent

9. Learned counsel for the Respondent has entered appearance and opposed the maintainability of the present petition on the ground that the present petition is barred by limitation. The Respondent contends that the present petition is barred by limitation, as the notice invoking arbitration was issued after the expiry of the limitation period prescribed under the Limitation Act, 1963. He states that the cause of action for the alleged claims arose out of invoices dated 24.01.2020 and 12.02.2020 and the last of such invoices was raised on 17.03.2020. As such, the limitation for issuance of notice under Section 21 of the Act expired on or before 17.03.2023. However, the Petitioner issued the notice invoking arbitration only on 20.05.2024, well beyond the permissible three-year limitation period.

10. He states that moreover in the notice dated 20.05.2024, the Petitioner had expressed an intention to approach the High Court at Karnataka and therefore the Petitioner was not entitled to file the petition before this Court.

Decision

11. This Court has considered the submission of the parties and peruse the record.

12. The issue of limitation has been prima facie considered by this Court. In near identical facts, a coordinate Bench of this Court in **G4s Secure Solutions (India) Pvt. Ltd. V. Matrix Cellar (International) Services Ltd.**¹ after examining the judgments of Supreme Court in **Cognizance for Extension of Limitation in Re [Suo Moto Writ Petition (C) No. 3 of 2020, Order dated 10th January, 2022]**² and **Arif Azif Azim Co. Ltd. v.**

¹ ARB.P. 427/2024 dated 02.04.2024

² (2022) 3 SCC 117



Aptech Ltd.³ held that balance period of limitation remaining on 15.03.2020, would become available to the petitioner on 28.02.2022 for maintaining proceedings under Section 11 of the A&C Act. So also, in the facts of this case, if the balance period of limitation available to the Petitioner herein is added back, the invocation of notice on 20.05.2024 would make the claims prima facie within limitation.

13. Upon perusal of the aforementioned judgments, learned counsel for the Respondent has fairly chosen to not press the issue of limitation at this stage and reserves his right to press this objection during arbitration, if so advised.

14. With respect to the next objection of jurisdiction, this Court notes that in view of the fact that Respondent admittedly carries on business in Delhi and Clause 17.5 of the RFP records the venue of arbitration at Delhi, this Court has jurisdiction as per Section 20(a) CPC as well as the arbitration agreement. This Court finds no merit in the submission of the Respondent that the Petitioner was precluded from invoking the jurisdiction of this Court in view of the contents of the letter dated 20.05.2024. The Respondent was unable to substantiate this submission in law.

15. A perusal of Clause 17.5 of the RFP shows that there exists a valid arbitration agreement between the parties and the said clause has been duly invoked by the Petitioner vide notice dated 20.05.2024.

16. The value of the claim is Rs. 34 lakhs approximately, therefore, it is deemed appropriate to appoint an Advocate as a Sole Arbitrator. The Arbitration will be conducted under the aegis of Delhi International Arbitration Centre ('DIAC').

³ (2024) 5 SCC 313



17. In view of the above, the disputes between the parties under the said agreement are referred to the arbitral tribunal with the following directions:

- a) Ms. Smita Maan, Advocate (D-1355/2009), (Mob. No. 9899934315), e-mail: maanlawoffices@gmail.com) is appointed as the Sole Arbitrator to adjudicate the disputes between the parties.
- b) The arbitration will be held under the aegis of, and as per rules of the DIAC. The remuneration of the learned Arbitrator shall be in terms of Schedule IV of the Act of 1996.
- c) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act of 1996 before entering into the reference.
- d) List the matter before the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi for a preliminary hearing on 28.05.2025 at 10:30 AM.
- e) The Petitioner shall file its statement of claim within four (4) weeks as per the rules of DIAC.
- f) It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claims and/or counter claims, any other preliminary objection including limitation, as well as claims on merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.

18. With the aforesaid direction, the petition stands disposed of.

19. The registry is directed to send a copy of this order to Secretary, DIAC and the Sole Arbitrator.

20. The digitally signed copy of this order, duly uploaded on the official website of the Delhi High Court, www.delhihighcourt.nic.in, shall be treated



as a certified copy of the order for the purpose of ensuring compliance. No physical copy of order shall be insisted by any authority/entity or litigant.

MANMEET PRITAM SINGH ARORA, J

APRIL 23, 2025/mr/akp

[Click here to check corrigendum, if any](#)