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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **O.M.P.(I) (COMM.) 136/2025 & CAV 148/2025, I.A. 10079/2025**
SUNSTONE EDUCATION TECHNOLOGY PRIVATE LIMITED
.....Petitioner

Through: Mr. Jayant Mehta, Sr. Adv with Mr.
Mani Gupta, Ms. Sonali Jain, Advs.
Ms. Jasleen Virk, Adv.

versus

RIG EDUCATION FOUNDATION & ANR.Respondent

Through: Mr. Manik Dogra, Sr. Adv with Mr.
Nikhil Singhvi, Mr. Parth Aggarwal, Mr. Dhruv
Pandey, Advs.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

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23.04.2025

1. This is a petition filed under Section 9 of the Arbitration and Conciliation Act, 1996 seeking interim orders.
2. Briefly stating the facts are that are that the petitioner and the respondent no. 1 entered into 3 agreements, namely, Framework Agreement, Brand Licensing Agreement and Master Services Agreement, all dated 02.01.2025, whereby the petitioner was to provide various services such as teacher training and recruitment, management of labs, hostel management, accounting and records management, mess management, transportation and such other ancillary services for respondent no. 2. Respondent no. 2 was being operated as a hospitality and management institute by Respondent No.1 at 48/1, Knowledge Park III, Greater Noida, Uttar Pradesh 201306.
3. Out of the three agreement(s), the principal agreement is the Framework Agreement containing the arbitration clause being clause no. 17 which reads as under:-



“17. GOVERNING LAW AND DISPUTE RESOLUTION

17.1. Governing Law and Jurisdiction This Agreement and all questions of its interpretation shall be construed in accordance with the laws of India. The Parties submit to the exclusive jurisdiction of courts at New Delhi.

17.2. Dispute Resolution

*a. This Agreement and all questions of its interpretation shall be construed in accordance with the laws of India. Except as otherwise specifically provided in this Agreement, the following provisions apply if any dispute or difference arises among the Parties arising out of, in connection with or relating to this Agreement ("**Dispute**").*

*b. A Dispute will be deemed to arise when one Party serves on the other Party a notice stating the nature of the Dispute ("**Notice of Dispute**").*

c. The Parties hereto agree that they will use all reasonable efforts to resolve among themselves, any Disputes arising out of or relating to this Agreement through negotiations.

d. Any Disputes which could not be settled by the Parties through negotiations, after the period of 30 (thirty) Business Days from the service of the Notice of Dispute, shall be referred to and finally resolved by arbitration under the Arbitration and Conciliation Act, 1996 as amended from time to time. The number of arbitrators shall be 3 (three), one each from Company and Service Recipient and the third arbitrator shall be appointed by the two arbitrators appointed by the Parties herein. The seat, and venue, of arbitration, shall be New Delhi, India. The language to be used in the arbitral proceedings shall be English.”



4. Since there were disputes between the parties, the respondent no. 1 terminated all the agreement(s) on 06.04.2025. Hence, the petitioner has filed the present petition on the ground that the petitioner has invested huge resources towards the operation of the Agreement(s) and the termination is causing irreparable loss to the petitioner.

5. For the said reasons, issue notice. Mr. Singhvi, learned counsel accepts notice on behalf of the respondent(s).

6. Mr. Dogra, learned senior counsel on behalf of the respondent(s) disputes the said factum.

7. The fact remains that the parties are *ad idem* on appointment of an arbitrator for adjudication of their disputes. The arbitration clause being clause no. 17 of the Framework Agreement provides that a 3 member tribunal be incorporated for adjudication of disputes, however the parties are also *ad idem* for appointment of a sole arbitrator in place of a 3 member tribunal.

8. For the said reasons, the petition is allowed and the following directions are issued:-

- i) Ms. Justice Rekha Palli (Retd. Judge Delhi High Court) (Mob. No.9810012120) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
- ii) The arbitration will be held under the aegis of the Delhi International Arbitration Centre, Delhi High Court, Sher Shah Road, New Delhi (hereinafter, referred to as the 'DIAC') and as per the DIAC Rules.
- iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators' Fees) Rules,



2018.

- iv) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
- v) It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claim, any other preliminary objection, as well as claims/counter-claims and merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.

9. Both the parties state that before proceeding with the arbitration they may be referred to Delhi High Court Mediation and Conciliation Centre for a period of 10 days to explore the possibility of a settlement.

10. In this view of the matter, the parties shall appear before the Delhi High Court Mediation and Conciliation Centre on 25.04.2025 at 3:30 p.m.

11. In case, the matter is not settled, the learned Arbitrator shall enter reference after a period of 10 days from 25.04.2025.

12. The present petition will be treated as an application under section 17 of the Arbitration and Conciliation Act, 1996 and shall be disposed of by the learned arbitrator expeditiously.

13. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

APRIL 23, 2025 / (MS)

Click here to check corrigendum, if any