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

+ **ARB.P. 811/2025**

SAMSUNG INDIA ELECTRONICS PRIVATE LIMITED

.....Petitioner

Through: Mr. Nikhil Varshney, Ms. Kritika Angirish and Mr. Ishu Gupta, Advocates.

versus

AFFLE 3i LIMITED

.....Respondent

Through: Ms. Shalini Sati Prasad and Ms. Priya Chauhan, Advocates.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

27.05.2025

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1. This petition is preferred on behalf of the Petitioner under Section 11(6) of the Arbitration and Conciliation Act, 1996 ('1996 Act') seeking appointment of a Sole Arbitrator to adjudicate the disputes between the parties.

2. Case of the Petitioner as set out in the petition is that a Partnership Agreement was executed between the Petitioner and Respondent on 22.06.2023, in terms of which, Galaxy Store Version 6.6.10.10 went live on 29.06.2023 on selected pilot devices and the Pilot Phase commenced in terms of the Partnership Agreement. Disputes arose between the parties with respect to app governance framework, dashboard and real time data monitoring etc., and Petitioner proposed a meeting with the Respondent, which was held on 13.09.2023 but there was no resolution.



3. It is averred that on 14.09.2023, Appnext, an affiliate of the Respondent shared the revised the consolidated monthly report, stating that Pilot Phase will be counted once all Touch Points of Samsung Platform are rolled out. This was followed by a communication dated 15.09.2023 that Pilot Phase and count of DAU will commence after the roll out of twelve Touch Points on Galaxy Store and Samsung Discover. Later, in October/November, 2024, disputes arose regarding interpretation of some terms of the Partnership Agreement, including Pilot Phase and Petitioner sent several communications in this regard to the Respondent.

4. It is stated that in the midst of these disputes, Petitioner continued with the business relationships from January, 2025 to early April, 2025 and efforts were made by the Petitioner to settle the issues amicably. However, on account of the *impasse* reached between the parties, in bad faith, Respondent issued a dispute notice on 11.04.2025. In this backdrop, Petitioner invoked the Arbitration Agreement by notice dated 14.04.2025 proposing the name of its nominee Arbitrator. The notice was received by the Respondent on 16.04.2025 and reply dated 15.05.2025, Respondent stated that it was not agreeable to the proposed name and proposed the name of an another Arbitrator. Since there was no consensus on the name of the Sole Arbitrator, Petitioner has filed the present petition.

5. Issue notice.

6. Ms. Shalini Sati Prasad, learned counsel accepts notice on behalf of the Respondent.

7. While not disputing the existence of the Arbitration Agreement, learned counsel submits that in terms of Article 19.5 of the Partnership Agreement, which is a dispute resolution clause, Petitioner was first required



to make an attempt to settle the matter amicably within a period of 30 business days after written notification from one party to the other is received, stating that a dispute or difference has arisen. In the event that amicable settlement is not reached, the disputes are to be resolved by arbitration by Sole Arbitrator to be mutually appointed by the parties. The argument is that Petitioner has not taken recourse to the laid down procedure of attempting a settlement through negotiated mediation and cannot directly take recourse to arbitration.

8. In response to this objection, counsel for the Petitioner draws the attention of the Court to several communications and minutes of meetings, indicating the efforts made by the Petitioner to settle the disputes amicably. Illustratively, attention of the Court is drawn to letter dated 09.01.2025, whereby Petitioner notified the disputes and called upon the Respondent to indicate a date within seven days, on which meeting could be held for mutual settlement talks in terms of Article 19.5 and in response to which, Respondent by letter dated 11.04.2025 acknowledged its participation in several meetings for mutual settlement. It is urged that in light of this documentary evidence, it cannot be argued on behalf of the Respondent that Article 19.5 was not followed in letter and spirit.

9. Be it noted that confronted with these documents, at this stage, counsel for the Respondent, on instructions, submits that Respondent has no objection to the appointment of a Sole Arbitrator by this Court.

10. Accordingly, with the consent of the parties, Ms. Justice Rekha Palli, former Judge of this Court (Mobile No. 9810012120), is appointed as the Sole Arbitrator to adjudicate the disputes between the parties. Arbitral proceedings will be held under the aegis of Delhi International Arbitration



Centre (DIAC) and as per its Rules. Fee of the Arbitrator shall be as per fee schedule of DIAC (Administrative Cost & Arbitrators' Fees) Rules 2018.

11. Learned Arbitrator shall give disclosure under Section 12 of the 1996 Act before entering upon reference.

12. It is made clear that this Court has not expressed any opinion on the merits of the case and all rights and contentions of the respective parties are left open.

13. Parties are at liberty to file their claims and counter claims before the learned Arbitrator.

14. Petition is disposed of in the aforesaid terms.

JYOTI SINGH, J

MAY 27, 2025
S.Sharma