



2025:DHC:10791



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **ARB.P. 1522/2025**

Date of Decision: **21.11.2025****IN THE MATTER OF:**

M/S EDUCOMP SOLUTIONS LIMITEDPetitioner

Through: Mr. Priya Darshan Kumar, Adv.

versus

EURO SCHOOL & ANR.

.....Respondent

Through: None.

CORAM:**HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV****JUDGEMENT****PURUSHAINDRA KUMAR KAURAV, J. (ORAL)**

The present petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (hereinafter 'the Act'), seeking appointment of an Arbitrator, to adjudicate upon the disputes that have arisen between the parties.

2. Despite service, none has appeared for the respondent. The affidavit of service has been filed by the petitioner, which is extracted as under:

"AFFIDAVIT OF SERVICE

I, Priya Darshan Kumar, S/o Late Krishna Mohan Prasad, aged about 50 Years having Office at 514, Udyog Vihar Phase-III, Gurugram-122001, Haryana, presently at Delhi, do hereby solemnly affirm and state as under:

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Signed By:PRIYA
Signing Date:03.12.2025
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Signed
By:PURUSHAINDRA
KUMAR KAURAV



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1. That I am Advocate for the Petitioner herein and as such I am competent to file this affidavit in compliance of order 17.10.2025 passed by this Hon'ble Court.

2. That pursuant to order dated 18.09.2025 passed by this Hon'ble Court, notices have been served through courier to Respondent No. 1 and 2 and through WhatsApp to Respondent No.2.

3. That original courier receipts along with copy of track reports and screenshot of WhatsApp are annexed with this affidavit as Annexure-1(Colly) and Annexure-2 respectively.

4. That the contents of this affidavit are true and correct to the best of my knowledge and information.”

3. A perusal of the aforesaid indicates that respondents have been served through Whatsapp.

4. This Court in ***M/s Lease Plan India Private Limited v. M/s Rudraksh Pharma Distributor and Ors.***¹, has held that service through Email and Whatsapp is sufficient service. The relevant extract of the aforesaid decision reads as under:-

“8. service by email and WhatsApp is sufficient, it may also be noted that in the Agreement itself, the address of the respondent for the purposes of correspondence, provided in Clause 10.3, is the address at which service has been attempted. The notice invoking arbitration sent to the same address was reported to have been delivered, but in the Speed Post report, by which the petition was sent to the address, it is stated that no such person is available at the address”

5. The facts would indicate that two Agreements dated 23.03.2011 and 21.12.2011 bearing codes Edusmart/04982 and Edusmart/07013, respectively were executed between the petitioner, respondents and Edu Smart Services Pvt. Ltd. (ESSPL) for setting up and implementation of 'Smart Class Program' at the premises of the respondent No.1. According to

¹ ARB. P. 1273/2023 dated 10.04.2024



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the petitioner, the respondents failed to honor their payment obligations in terms of the said Agreements despite repeated requests and reminders, Thereafter, petitioner was compelled to issue a Legal Notice dated 03.02.2025 to them asking for payment of the outstanding amount of Rs. 26,07,484/- along with accrued interest @ 18% p.a. Subsequent thereto, the petitioner, by invoking Clause 9.1 of the Agreements, issued Notice dated 26.05.2025 under Section 21 of the Act for referring the dispute to arbitration

6. Despite receipt of Notice, respondents have not consented for appointment of the arbitrator. Therefore, the petitioner has approached this Court.

7. Clause 9.1 of the agreement contains an arbitration clause, which is extracted as under:

“ARBITRATION

if any dispute or difference of any kind whatsoever arise between the parties in connection with or arising out of this Agreement or any part thereof, such dispute or difference shall be referred to an acceptable sole Arbitrator under the provisions of the Indian Arbitration and Conciliation Act, 1996, or any enactment or modification there under. The sole Arbitrator shall be appointed by Party A. The venue for arbitration shall be at New Delhi and the language shall be English. The courts in New Delhi shall have jurisdiction to entertain all disputes between the parties.”

8. The law with respect to the scope and standard of judicial scrutiny under Section 11(6) of the Act is no longer *res integra*. This Court in ***Pradhaan Air Express Pvt Ltd v. Air Works India Engineering Pvt Ltd***², has extensively dealt with the scope of interference at the stage of Section 11. Furthermore, in ***Axis Finance Limited Vs. Mr. Agam Ishwar Trimbak***,³

² 2025 SCC OnLine Del 3022

³ 2025:DHC:7477



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this Court has held that the scope of inquiry under Section 11 of the Act is limited to a *prima facie* examination of the *existence* of an arbitration agreement. Further, it was also reiterated that objections relating to the arbitrability of disputes are not to be entertained by a referral Court acting under Section 8 or 11 of the Act. The relevant extract of the aforesaid decision reads as under: -

19. In In Re: Interplay, the Supreme Court confined the analysis under Section 11 of the Act to the existence of an arbitration agreement and under Section 8 of the Act to the existence and validity of an arbitration agreement. Under both the provisions, examination was to be made at the touchstone of Section 7 of the Act. Further, issues pertaining to the arbitrability of the dispute fell outside the scope of both Section 11(6A) and Section 8 of the Act. The material part of the judgement of the Supreme Court in In Re: Interplay reads as under:

164. The 2015 Amendment Act has laid down different parameters for judicial review under Section 8 and Section 11. Where Section 8 requires the referral Court to look into the prima facie existence of a valid arbitration agreement. Section 11 confines the Court's jurisdiction to the examination of the existence of an arbitration agreement. Although the object and purpose behind both Sections 8 and 11 is to compel parties to abide by their contractual understanding, the scope of power of the referral Courts under the said provisions is intended to be different. The same is also evident from the fact that Section 37 of the Arbitration Act allows an appeal from the order of an arbitral tribunal refusing to refer the parties to arbitration under Section 8, but not from Section 11. Thus, the 2015 Amendment Act has legislatively overruled the dictum of Patel Engineering (supra) where it was held that Section 8 and Section 11 are complementary in nature. Accordingly, the two provisions cannot be read as laying down a similar standard. 165. The legislature confined the scope of reference under Section 11(6A) to the examination of the existence of an arbitration agreement. The use of the term "examination" in itself connotes that the scope of the power is limited to a prima facie determination. Since the Arbitration Act is a self-contained code, the requirement of "existence" of an arbitration agreement draws effect from Section 7 of the Arbitration Act. In Duro Felguera (supra), this Court held that the referral Courts only need to consider one aspect to determine the existence of an arbitration agreement –

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whether the underlying contract contains an arbitration agreement which provides for arbitration pertaining to the disputes which have arisen between the parties to the agreement. Therefore, the scope of examination under Section 11(6A) should be confined to the existence of an arbitration agreement on the basis of Section 7. Similarly, the validity of an arbitration agreement, in view of Section 7, should be restricted to the requirement of formal validity such as the requirement that the agreement be in writing. This interpretation also gives true effect to the doctrine of competence-competence by leaving the issue of substantive existence and validity of an arbitration agreement to be decided by arbitral tribunal under Section 16. We accordingly clarify the position of law laid down in Vidya Drolia (supra) in the context of Section 8 and Section 11 of the Arbitration Act, 1996. The burden of proving the existence of arbitration agreement generally lies on the party seeking to rely on such agreement. In jurisdictions such as India, which accept the doctrine of competence-competence, only prima facie proof of the existence of an arbitration agreement must be adduced before the referral Court. The referral Court is not the appropriate forum to conduct a mini-trial by allowing the parties to adduce the evidence in regard to the existence or validity of an arbitration agreement. The determination of the existence and validity of an arbitration agreement on the basis of evidence ought to be left to the arbitral tribunal. This position of law can also be gauged from the plain language of the statute. 166. Section 11(6A) uses the expression “examination of the existence of an arbitration agreement.” The purport of using the word “examination” connotes that the legislature intends that the referral Court has to inspect or scrutinize the dealings between the parties for the existence of an arbitration agreement. Moreover, the expression “examination” does not connote or imply a laborious or contested inquiry. On the other hand, Section 16 provides that the arbitral tribunal can “rule” on its jurisdiction, including the existence and validity of an arbitration agreement. A “ruling” connotes adjudication of disputes after admitting evidence from the parties. Therefore, it is evident that the referral Court is only required to examine the existence of arbitration agreements, whereas the arbitral tribunal ought to rule on its jurisdiction, including the issues pertaining to the existence and validity of an arbitration agreement. A similar view was adopted by this Court in Shin-Etsu Chemical Co. Ltd. v. Aksh Optifibre Ltd.” [Emphasis supplied]

20. The effect of *In Re: Interplay* was further explained by a Three Judge



Bench of the Supreme Court in SBI General Insurance Co. Ltd. v. Krish Spinning⁴ wherein the Court declared Vidya Drolia and NTPC Ltd.'s findings qua scope of inquiry under Section 8 and Section 11 of the Act to no longer be compatible with modern principles of arbitration. The material portions of the judgement read as under:

“114. In view of the observations made by this Court in In Re : Interplay (supra), it is clear that the scope of enquiry at the stage of appointment of arbitrator is limited to the scrutiny of prima facie existence of the arbitration agreement, and nothing else. For this reason, we find it difficult to hold that the observations made in Vidya Drolia (supra) and adopted in NTPC v. SPML (supra) that the jurisdiction of the referral Court when dealing with the issue of “accord and satisfaction” under Section 11 extends to weeding out ex-facie non-arbitrable and frivolous disputes would continue to apply despite the subsequent decision in In Re : Interplay (supra). ... 118. Tests like the “eye of the needle” and “ex-facie meritless”, although try to minimise the extent of judicial interference, yet they require the referral Court to examine contested facts and appreciate prima facie evidence (however limited the scope of enquiry may be) and thus are not in conformity with the principles of modern arbitration which place arbitral autonomy and judicial non-interference on the highest pedestal.” [Emphasis supplied]

21. Similarly, in BGM and M-RPL-JMCT (JV) v. Eastern Coalfields Ltd⁵ the Supreme Court succinctly explained the effect of In Re: Interplay on a Referral Court's powers under Section 11 of the Act. The relevant part of the judgement is as under:

15. ...

(a) Section 11 confines the Court's jurisdiction to the examination regarding the existence of an arbitration agreement.

(b) The use of the term “examination” in itself connotes that the scope of the power is limited to a prima facie determination.

(c) Referral Courts only need to consider one aspect to determine the existence of an arbitration agreement — whether the underlying contract contains an arbitration agreement which provides for arbitration pertaining to the disputes which have arisen between the parties to the agreement. Therefore, the scope of examination under Section 11(6-A) should be confined to the existence of an arbitration agreement on the basis of Section 7.

⁴ 2024 SCC OnLine SC 1754

⁵ 2025 SCC OnLine SC 1471



Such a legal approach will help the Referral Court in weeding out prima facie non-existent arbitration agreements.

(d) The purport of using the word “examination” connotes that the legislature intends that the Referral Court has to inspect or scrutinise the dealings between the parties for the existence of an arbitration agreement. However, the expression “examination” does not connote or imply a laborious or contested inquiry.

(e) The burden of proving the existence of arbitration agreement generally lies on the party seeking to rely on such agreement. Only prima facie proof of the existence of an arbitration agreement must be adduced before the Referral Court. The Referral Court is not the appropriate forum to conduct a mini-trial by allowing the parties to adduce the evidence in regard to the existence or validity of an arbitration agreement. The determination of the existence and validity of an arbitration agreement on the basis of evidence ought to be left to the Arbitral Tribunal.

(f) Section 16 provides that the Arbitral Tribunal can “rule” on its jurisdiction, including the existence and validity of an arbitration agreement. A “ruling” connotes adjudication of disputes after admitting evidence from the parties. Therefore, when the Referral Court renders a prima facie opinion, neither the Arbitral Tribunal, nor the Court enforcing the arbitral award is bound by such a prima facie view. If a prima facie view as to the existence of an arbitration agreement is taken by the Referral Court, it still allows the Arbitral Tribunal to examine the issue in depth.

[Emphasis supplied]

22. Thus from the above-mentioned authorities it is clear that a Court’s scope of inquiry under Section 11 of the Act has been limited to a prima facie examination of the existence of an arbitration agreement while the adjudication under Section 8 is to be made for both existence and validity. Further, the examination so undertaken under both the said provisions must be within the confines of Section 7 of the Act. Objections relating to arbitrability of disputes are not to be entertained by a referral Court acting under Section 8 or 11 of the Act.”

9. In view of the fact that disputes have arisen between the parties and there is an arbitration clause in the contract, Mr. Parikshit Pitale, Advocate (Mobile No. +91 8010841775, e-mail id: parikshit.pitale22@gmail.com) is



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appointed as the Sole Arbitrator.

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

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

12. All rights and contentions of the parties in relation to the claims/counter-claims are kept open, to be decided by the Sole Arbitrator on their merits, in accordance with law.

13. Needless to say, nothing in this order shall be construed as an expression of opinion of this Court on the merits of the controversy between the parties. Let a copy of the instant order be sent to the Sole Arbitrator through electronic mode as well.

14. Accordingly, the instant petition stands disposed of.

PURUSHAINDRA KUMAR KAURAV, J

NOVEMBER 21, 2025/p/mj

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