2026:DHC:459

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

Reserved on:16th January, 2026
Pronounced on:19th January, 2026

\+ ARB. A. (COMM.) 11/2026, I.A. 1249/2026, I.A. 1250/2026 & I.A. 1251/2026

M/S R. K. ASSOCIATES AND HOTELIERS PVT. LTD.
.....Appellant

Through: Mr. Sandeep Sethi and Mr. Sudhir Makkar, Sr. Advs. with Mr. Jasmeet Singh, Mr. Mahinder Singh Hura, Mr. Saif Ali, Mr. Pushpendra S. Bhadoriya, Mr. Vijay Sharma, Mr. Krisna Gambhir, Ms. Shreya Sethi, Ms. Riya Kumar, Mr. Akhilesh Kumar, Ms. Aadhya Shrotriya, Ms. Sanya C. Oberoi, Mr. Pranav Menon, Mr. Saurav and Mr. Ajith Willyams, Advocates
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versus

INDIAN RAILWAY CATERING AND TOURISM CORPORATION LIMITED (IRCTC) .....Respondent

Through: Mr. Saurav Agrawal and Mr. Rajat Malhotra, Advocates with Mr. Saksham Gupta, Ms. Madhu K. Singh, Ms. Kiran Devrani, Mr. Anshuman Chowdhary, Ms. Nikita Rathi and Mr. Parmeet Singh, Advocates
Mob: 9953769317

CORAM:
HON'BLE MS. JUSTICE MINI PUSHKARNA

JUDGMENT

1. The present appeal has been filed under Section 37 (2)(b) of the Arbitration and Conciliation Act, 1996 ("Arbitration Act") against the interim order dated 12th January, 2026 ("impugned order") passed by the learned Sole Arbitrator in Delhi International Arbitration Centre ("DIAC") *Case Ref No. DIAC/12174/12-25*. By way of the impugned order, the learned Arbitrator has dismissed the application of the appellant filed under Section 17 of the Arbitration Act.

2. The facts, as canvassed before this Court, are as follows:

2.1 Tender bearing no. 2024/IRCTC/P&T/CLUSTER/FEB/ECoR/CLT/A-1 came to be floated by the respondent, i.e., Indian Railway Catering & Tourism Corporation Limited ("IRCTC"), which also contained the provisions relating to Master License Agreement. The services contemplated under the said tender consisted of two parts, which are as follows:

Part A- Dealing with the construction and operation of base kitchens at locations specified by the respondent.

Part B- Dealing with the provision of onboard catering services in cluster trains bearing cluster no. ECoR/CLT/A-1 run by the respondent, for a period of five years, further extendable upto two years.

2.2 The cluster included Train no. 12801-02, PURI-NDLS Purushottam Express ("subject train"), running up and down between New Delhi and Puri in Orissa.

2.3 The appellant came to be declared as the successful bidder for the aforesaid cluster, and by way of Letter of Award dated 01st May, 2024, the appellant was awarded the license for the commissioning and operation of base kitchens along with provision of on-board catering services in all trains of the said cluster for a period of five years, further extendable to two years.

2.4 Subsequently, on 22nd July, 2024, an agreement came to be entered into by the parties for the provision of services as mentioned under Part A of the tender.

2.5 Thereafter, on 31st August, 2024, a Letter of Commencement came to be issued by the respondent in favour of the appellant, *vide* which the appellant was *inter alia* intimated to operate the base kitchens at the four places as notified in the tender and to commence the provision of on-board catering services in the subject train, with effect from 12th September, 2024 till 11th September, 2029.

2.6 Subsequent to the Letter of Commencement, from 12th September, 2024, the agreement *qua* the services mentioned under Part B of the tender, came into force and the same was to remain valid till 11th September, 2029.

2.7 Thereafter, disputes arose between the parties. The appellant raised grievances, complaints and wrote several letters regarding presence of unauthorized food venders on the train, due to which the appellant was unable to enjoy the full benefits of the agreement. The respondent on the other hand, issued two Show Cause Notices dated 03rd April 2025 and 08th April, 2025 to the appellant highlighting the complaints about service deficiencies against the appellant on the subject train. The appellant filed replies dated 14th April, 2025 and 18th April, 2025 to the said Show Cause

Notices and also requested for personal hearing.

2.8 Accordingly, a personal hearing was granted to the appellant on 30th April, 2025. Subsequently, the respondent issued a Termination Order dated 02nd May, 2025, thereby, terminating the license for the subject train, on account of unsatisfactory response and continued breaches.

2.9 Since the agreement between the parties contained an arbitration clause for resolving the disputes and the respondent had floated a fresh limited E-tender dated 05th May, 2025, the appellant herein filed a petition, i.e., *OMP.(I)(COMM) 162/2025* under Section 9 of the Arbitration Act, seeking interim relief against the Termination Order.

2.10 While issuing notice *vide* order dated 05th May, 2025, in the said petition, this Court after recording that the appellant was continuing to provide catering services in the subject train, directed the parties to maintain *status quo*, till the next date of hearing. The said interim protection continued to operate till passing of the judgment in the said case.

2.11 *Vide* judgment dated 12th December, 2025, the said petition under Section 9 of the Arbitration Act filed by the appellant was dismissed, and the interim protection earlier granted *vide* order dated 05th May, 2025, was vacated. However, seven days' time was granted to the appellant to handover the train and cease operations along with catering services on the subject train.

2.12 By order of even date, i.e., 12th December, 2025, in *ARB.P. 1444/2025* filed by the appellant under Section 11 (6) of the Arbitration Act, this Court referred the disputes between the parties to a Sole Arbitrator.

2.13 Pursuant to the dismissal of the petition under Section 9 of the

Arbitration Act and completion of the seven day period granted by this Court, the respondent issued a Termination Notice dated 19th December, 2025 to the appellant to cease the on-board catering services operations in the subject train.

2.14 The appellant challenged the judgment dated 12th December, 2025 passed in *OMP.(I)(COMM) 162/2025*, by way of an appeal, i.e., *FAO(OS)(COMM) 212/2025*, under Section 37 (1)(b) of the Arbitration Act. By order dated 22nd December, 2025, the said appeal was disposed of, by directing the appellant to approach the Sole Arbitrator by filing an appropriate application.

2.15 Thereafter, the appellant approached the learned Sole Arbitrator on the same day, i.e., 22nd December, 2025, under Section 17 of the Arbitration Act, wherein, order came to be passed in the following manner:

> *"xxx xxx xxx*
>
> *7. **In these circumstances and taking into account that an interim order passed by the Hon'ble High Court was ensuing in favour of the Claimant since 05.05.2025, it is deemed appropriate to grant similar interim protection to the Claimant for a short period till the present application can be decided. It is, therefore, directed that as was the position when the Claimant's petition under Section 9 was pending before the Hon'ble High Court, the Claimant will continue to discharge its obligations under the MLA till the next date. It is, however, made clear that this interim protection is being granted only due to paucity of time and will not be taken as an expression of opinion on the merits of the Claimant's plea for interim protection**.*
>
> *xxx xxx xxx"*
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> *(Emphasis Supplied)*

2.16 After hearing the parties and considering their submissions, the learned Sole Arbitrator *vide* the impugned order dated 12th January, 2026, dismissed the application of the appellant, holding that the restoration of a

terminated contract at the interim stage, was neither warranted nor in public interest.

2.17 Thus, the present appeal has come to be filed by the appellant.

3. On behalf of the appellant, the following submissions have been advanced:

3.1 The respondent has terminated the contract in a most high-handed manner, without adherence to the terms and conditions of the contract/tender and the principles governing the procedure for termination of contract.

3.2 The decision-making process adopted by the respondent leading to the issuance of the Termination Order, was arbitrary, unfair and in violation of the Principles of Natural Justice. Further, the learned Arbitrator erred in not appreciating the fact that the Termination Order is an unreasoned/non-speaking order, which does not reveal cogent reasons nor refers to the contentions made by the appellant.

3.3 Clause 6.10 as relied upon by the respondent has to be read in conjunction with Clauses 6.10 (a) and 6.10 (b) of the contract agreement, which refers to *Annexure K*. The said *Annexure K* provides for imposition of penalty for established passenger complaints and prescribes a procedure leading to termination, as per which, penalties are to be imposed based on the recurrence of a particular type of complaint. As per *Annexure K*, it is only after the fifth established case for 'Type II' and 'Type III' complaint and after the second established case for a 'Type IV' complaint, that the contract of the appellant was liable to be terminated. Further, *Annexure K* of the contract agreement also envisaged imposition of penalties of the amounts as mentioned therein, before which action for termination could be

taken. However, penalty of the amount mentioned in *Annexure K*, as per the Termination Order has cumulatively been imposed upon the appellant, without disclosing whether the same were on account of Type I/Type II/Type III/Type IV complaint.

3.4 The respondent has acted in complete disregard of the contractual framework governing termination, rendering the Termination Order arbitrary and contrary to the express terms of the contract.

3.5 The Termination Notice travels far beyond the scope and consequences set out in the Show Cause Notices. The learned Arbitrator erred in not appreciating the fact that the respondent has failed to state the grounds for the proposed action against the appellant in the Show Cause Notices. The grounds of termination as given in the Termination Notice are different from the grounds given in the Show Cause Notices.

3.6 The learned Arbitrator, while passing the impugned order, erred in not appreciating the fact that the appellant did not have a reasonable opportunity to defend itself. In this regard, it can be seen that the grounds on which the Termination Order has been issued were never mentioned to the appellant in the Show Cause Notices issued to it, thus, rendering the Show Cause Notices issued by the respondent as invalid. Thus, the Termination Order travels beyond the scope and allegations contained in the Show Cause Notices and, therefore, cannot be sustained and should have been stayed by the learned Arbitrator.

3.7 No notice for curing the defect has been issued to the appellant, which was required to be given as per the contractual terms. The respondent has, thus, violated Clause 8.2 of the subject tender/agreement, as the mandatory

period of fifteen days for remedying the breach before terminating the contract and forfeiting the security deposit, was not granted. The Termination Order clearly states that the termination and forfeiture is being done as per Clause 7.1 of the contract, therefore, it was mandatory for the respondent to observe compliance of Clause 8.2.

3.8 The learned Arbitrator failed to appreciate that the Termination Order was issued under Clause 7.1 of the agreement, which required the respondent to comply with the procedure under Clause 8.2 of the agreement, which was a condition precedent to termination under Clause 7.1 of the agreement. No such notice under the said clause was ever issued to the appellant by the respondent. Hence, the subject contract is not determinable in view of the law laid down in the case of ***Ascot Hotels and Resorts Pvt. Ltd. & Anr. Versus Connaught Plaza Restaurants Pvt. Ltd., 2018 SCC OnLine Del 7940; DLF Home Developers Limited Versus Shipra Estate Limited and Others, 2021 SCC OnLine Del 4902; Jumbo World Holdings Limited and Another Versus Embassy Property Developments Private Limited and Others, 2020 SCC OnLine Mad 61***.

3.9 The balance of convenience is in favour of the appellant as the termination would cause irreparable financial loss to the appellant. Termination and consequential debarment would severely impede future business prospects of the appellant as it enjoys substantial goodwill. The livelihood of 115 individuals deployed on the train and at the base kitchens. Further, the complaints received are miniscule compared to the number of passengers, the appellant caters to during the on-board catering service.

4. On behalf of the respondent, the following submissions have been

made:

4.1 The contract has been validly terminated in terms of Clause 6.10 of the Master License Agreement in view of the unsatisfactory service and persistent passenger complaint against the appellant. The termination of the license was based on persistent complaints and unsatisfactory service, issues which are contractually reserved to the sole discretion of the respondent, which is final and binding.

4.2 The Master License Agreement entered into between the parties is a determinable contract, as is evident from Clause 6.10, which expressly provides that the respondent reserves the right to terminate the license without notice in the event of persistent complaints, unsatisfactory services, or non-compliance with the terms of the Agreement. The Specific Relief Act, 1963 prohibits the performance of such determinable contracts.

4.3 The reliefs sought by the appellant for reinstatement of its license and injunction against the Termination Order, are in effect prayers for *status quo ante*. Such reliefs would have the direct consequence of restoring the appellant to contractual performance and is therefore prohibited by statute.

4.4 Clause 6.10 functions as an independent and standalone provision, specifically addressing instances of persistent complaints. Clauses 6.10 and 6.10 (a) are disjunctive in nature, operating as alternative grounds for action. In the present case, the respondent has invoked Clause 6.10, which empowers it to terminate the Agreement forthwith and without prior notice.

4.5 Even assuming that Clause 6.10 (a) were to apply, the stipulated criteria under that provision, as outlined in *Annexure K*, have been fully satisfied. This is substantiated by multiple ‘Type-III’ complaints, including,

those pertaining to over-charging and the presence of insects or cockroaches in food. Further, *Annexure K* enables the respondent to impose penalty upon default, and in the present case there have been 100 instances of levied penalty upon the appellant, which was placed before the learned Arbitrator.

4.6 The fundamental requirement for a valid notice was satisfied by the respondent. The Show Cause Notices dated 03rd April, 2025 and 08th April, 2025, issued by the respondent are complete in all respects and were further supplemented by Letters dated 24th December, 2024, 27th January, 2025, 21st February, 2025, 24th March, 2025 and 09th April, 2025, whereby, the appellant was communicated of its continued breach of contract.

4.7 The appellant cannot seek enforcement of the contract by way of injunction, and once it is settled that a contract is determinable in nature and is terminated, remedies are confined to damages.

4.8 The pre-requisites for granting interim relief have not been satisfied by the appellant. There is no *prima facie* case in favour of the appellant, as the Master License Agreement is determinable in nature. Further, balance of convenience is against the appellant as interim protection to the appellant could expose passengers to continued sub-standard services and the appellant in its own letters has stated the grievance only to the effect that they have suffered or will suffer monetary loss, therefore, the appellant can be compensated through damages. Moreover, irreparable harm will be caused to the respondent, which is evidenced by the 700 fresh complaints against the appellant that have been received since the filing of the Section 9 petition, which causes irreversible prejudice to the public welfare and the respondent's obligations, especially, when the appellant's claims are

compensable by damages.

5. I have heard learned counsel for the parties and have perused the records.

6. At the outset, this Court notes the settled position of law that in case the view taken by the Arbitral Tribunal is plausible and free from perversity, interference under Section 37 (2)(b) of the Arbitration Act, is not warranted. The scheme of the Arbitration Act emphasizes minimal judicial intervention and Courts do not substitute their opinions for that of the Arbitral Tribunal, limiting the interference of the Court only in cases where the impugned order is perverse, patently illegal or suffers from jurisdictional infirmity. Thus, this Court in the case of ***Databit Technologies Pvt. Ltd. and Ors. Versus Red Fort Finance Company Pvt. Ltd., MANU/DE/0179/2026***, held as follows:

> *"xxx xxx xxx*
>
> *7.* ***It is well settled that the scope of interference under Section 37 is limited. The appellate court does not act as a court of first instance and cannot re-appreciate evidence or substitute its own discretion over that of the arbitral tribunal. Interference is warranted only where the impugned order is perverse, patently illegal, or suffers from a jurisdictional infirmity. Mere disagreement with the view taken by the tribunal or the possibility of an alternative view is not a ground for interference. The power exercised by the arbitral tribunal under Section 17 is discretionary and is guided by settled principles governing grant of interim measures, namely, the existence of a prima facie case, balance of convenience, and likelihood of irreparable prejudice****.*
>
> *8.* ***It is equally well settled that interlocutory orders are, by their very nature, discretionary and the scope of interference, in judicial review, with discretionary orders is limited****. Where the discretion exercised is towards direction for a deposit, the court has to be additionally circumspect, as the issue of whether a deposit ought, or ought not, to be directed, so as to secure the sanctity of the arbitral proceedings and ensure that they proceed to fruition, is essentially a matter to be assessed by the learned Arbitral Tribunal.* ***Unless such assessment is perverse or suffers from manifest illegality, the approach of the court, ordinarily,***

> ***should be one of restraint*** *[refer: Dinesh Gupta v. Bechu Singh, MANU/DE/3757/2021: 2021:DHC:4400].*
>
> *xxx xxx xxx"*
>
> *(Emphasis Supplied)*

7. Likewise, holding that scope of interference in appeal against orders passed by Arbitrators on applications under Section 17 of the Arbitration Act, is limited and the restraints which apply on the Court while examining the challenge to a final award under Section 34 of the Arbitration Act, equally apply to a challenge under Section 37 (2)(b) of the Arbitration Act, this Court in the case of ***World Window Infrastructure Private Limited Versus Central Warehousing Corporation, 2021 SCC OnLine Del 5099,*** held as follows:

> *"xxx xxx xxx*
>
> ***66. The scope of interference, in appeal, against orders passed by arbitrators on applications under Section 17 of the 1996 Act is limited****. This Court has already opined in Dinesh Gupta v. Anand Gupta [Dinesh Gupta v. Anand Gupta, 2020 SCC OnLine Del 2099] , Augmont Gold (P) Ltd. v. One97 Communication Ltd. [Augmont Gold (P) Ltd. v. One97 Communication Ltd., (2021) 4 HCC (Del) 642] and Sanjay Arora v. Rajan Chadha [Sanjay Arora v. Rajan Chadha, (2021) 3 HCC (Del) 654] that* ***the restraints which apply on the court while examining a challenge to a final award under Section 34 equally apply to a challenge to an interlocutory order under Section 37(ii)(b). In either case, the court has to be alive to the fact that, by its very nature, the 1996 Act frowns upon interference, by courts, with the arbitral process or decisions taken by the arbitrator. This restraint, if anything, operates more strictly at an interlocutory stage than at the final stage, as interference with interlocutory orders could interference with the arbitral process while it is ongoing, which may frustrate, or impede, the arbitral proceedings****.*
>
> ***67. Views expressed by arbitrators while deciding applications under Section 17 are interlocutory views. They are not final expressions of opinion on the merits of the case between the parties. They are always subject to modification or review at the stage of final award. They do not, therefore, in most cases, irreparably prejudice either party to the arbitration. Section 17 like Section 9 is intended to be a protective***

> ***measure, to preserve the sanctity of the arbitral process. The pre-eminent consideration, which should weigh with the arbitrator while examining a Section 17 application, is the necessity to preserve the arbitral process and ensure that the parties before it are placed on an equitable scale. The interlocutory nature of the order passed under Section 17, therefore, must necessarily inform the court seized with an appeal against such a decision, under Section 37. Additionally, the considerations which apply to Section 34 would also apply to Section 37(ii)(b)***.
>
> *xxx xxx xxx*
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> ***82.*** *That the province of Section 9 jurisdiction of the court, and of Section 17 jurisdiction of the arbitrator, are co-equal, stands settled by the recent decision of the Supreme Court in Arcelor Mittal Nippon Steel India Ltd. v. Essar Bulk Terminal Ltd. [Arcelor Mittal Nippon Steel India Ltd. v. Essar Bulk Terminal Ltd., (2022) 1 SCC 712 : AIR 2021 SC 4350]*
>
> *xxx xxx xxx"*
>
> *(Emphasis Supplied)*

8. Similar view has been taken by this Court in the cases of ***GLS Foils Products Pvt. Ltd. Versus FWS Turnit Logistic Park LLP and Others, 2023 SCC OnLine Del 3904*** and ***Dinesh Gupta and Others Versus Anand Gupta and Others, 2020 SCC OnLine Del 2099***.

9. Thus, the position of law is clear that the Court is possessed with the power of only limited interference under Section 37 (2)(b) of the Arbitration Act, only in cases where the impugned order passed by the Arbitral Tribunal suffers from patent illegality or perversity.

10. Keeping in mind the aforesaid perspective, the facts of the case reveal that the appellant was granted a license for on-board catering services under the Master License Agreement. The license of the appellant was terminated by the respondent *vide* order dated 02nd May, 2025, on account of persistent passenger complaints against the appellant and unsatisfactory services by the appellant. The said action of termination was preceded by multiple

complaints by aggrieved passengers, issuance of penalties and various communications by the respondent regarding dissatisfaction with the services rendered by the appellant.

11. The respondent has placed on record various documents, including, Show Cause Notices, passenger complaints, penalty letters and correspondence, whereby, the appellant was warned about the deteriorating standards of service. Various letters and show cause notices were issued by the respondent to the appellant *viz*. Show Cause Notices dated 03rd April, 2025 and 08th April, 2025; Letters dated 24th December, 2024, 27th January, 2025, 21st February, 2025, 24th March, 2025 and 09th April, 2025, whereby, the appellant was communicated of its continued breach of contract.

12. Reading of the various communications sent by the respondent to the appellant, brings forth that maximum number of complaints regarding on-board catering services, were registered against the appellant with respect to the subject train, and the subject train was considered to be one of the worst performing Mail Express Trains, a fact which was intimated to the appellant *vide* letter dated 21st February, 2025. The appellant was communicated regarding the various complaints relating to service quality, hygiene, food quality, over-charging, etc. The appellant was directed in categorical terms to take all round measures to improve the catering services. It was further indicated that in case of failure by the appellant to take steps to improve the level of catering services offered, the respondent would initiate process for imposition of penal action as per Terms and Conditions of the Contract.

13. Attention of this Court has also been drawn to the tabulated statement from the Catering Service Information Management ("CSIM") Portal, where

complaints are lodged by the passengers against the on-board catering services. The brief summary of the complaints received against the appellant for the subject train from the passengers, on the CSIM Portal, as on record before this Court, is reproduced as under:

1117

CSIM- Details of complaints of Train no.12801-02 from March'25 to 25 Dec'25

Train No	Complaint Nature	Mar'25	Apr'25	May'25	Jun'25	Jul'25	Aug'25	Sep'25	Oct'25	Nov'25	25 Dec'25	Grand Total
12801	Overcharging	27	17	6	0	1	5	17	13	12	12	110
	Food & Water Not Available	11	13	12	11	1	6	3	3	5	4	69
	Others	8	7	5	14	4	3	2	2	5	5	55
	Service Quality & Hygiene	1	0	3	13	10	1	1	0	1	2	32
	Food Quality & Quantity	5	5	2	0	3	6	0	2	0	1	24
	Misc	1	0	6	2	0	0	0	0	0	0	9
	E-Catering	0	0	0	0	0	0	0	0	0	0	0
	Baby Food	0	0	0	0	0	1	1	0	1	0	3
	Unauthorised Vending	0	0	0	1	1	1	0	0	0	0	3
	Food Not Available	0	0	2	0	0	0	0	0	0	0	2
	Misbehaviour	0	1	0	0	0	0	0	0	0	0	1
	Railneer	0	0	0	0	0	0	0	0	0	0	0
	Foreign Particles	0	0	0	0	0	1	0	0	0	0	1
	Hygiene	0	0	0	1	0	0	1	0	0	0	2
12801 Total		53	43	36	42	20	24	25	20	24	24	311
12802	Overcharging	18	20	7	1	1	12	14	16	20	14	123
	Food & Water Not Available	10	10	14	24	7	6	5	6	15	9	106
	Others	4	8	4	5	5	3	5	2	6	8	50
	Service Quality & Hygiene	2	1	8	13	13	4	1	4	3	0	49
	Food Quality & Quantity	4	4	1	7	3	2	3	2	1	3	30
	Misc	1	0	2	7	0	0	0	0	1	0	11
	E-Catering	3	2	0	1	0	2	1	0	0	0	9
	Baby Food	0	0	1	0	0	2	0	0	0	0	3
	Unauthorised Vending	0	0	0	2	0	1	0	0	0	0	3
	Food Not Available	0	0	2	0	0	0	0	0	0	0	2
	Misbehaviour	0	1	0	0	0	1	0	0	0	0	2
	Railneer	0	0	1	1	0	0	0	0	0	0	2
	Foreign Particles	0	0	0	0	1	0	0	0	0	0	1
	Hygiene	1	0	0	0	0	0	0	0	0	0	1
12802 Total		43	46	40	61	30	33	29	30	46	34	392

14. Perusal of the aforesaid table and the description of complaints/remarks annexed with the present appeal, make it evident that there are multiple complaints of over-charging, service quality, hygiene, food quality, etc. against the appellant, which presents a troubling state of affairs as regards the on-board catering services being offered by the appellant on the subject train. On account of the said complaints, penalties have been imposed upon the appellant, which have been duly paid by the appellant.

15. This Court notes that the numerous complaints against the appellant which were reflected on the CSIM Portal, as aforesaid, and which were also brought to the notice of the appellant additionally by way of various letters,

have not been challenged by the appellant.

16. Therefore, *prima facie* at the interim stage, it cannot be said that the appellant was not put to notice before taking any action against it, or that the appellant was not aware of the various complaints regarding instances of unsatisfactory service by it.

17. Furthermore, this Court takes note of the provisions of Clause 6.10 of the Master License Agreement which makes provisions for termination of the license without any previous notice to the licensee in the event of unsatisfactory service, poor quality of articles, persistent complaints from passengers and services below the standard. Clause 6.10 reads as under:

6.10	Unsatisfactory services etc.	In the event of unsatisfactory service, poor quality of articles, persistent complaints from passengers, and services below the standard or any failure or default at any time on the part of the Licensee to carry out the terms and provisions of this document to the satisfaction of the IRCTC (who will be sole judge and whose decision shall be final) it shall be optional to the IRCTC to make any substitute arrangement it may deem necessary at the cost and risk of the Licensee or to forthwith terminate the license without any previous notice to the Licensee and in case of such termination the Security Deposit be forfeited by the IRCTC and the Licensee shall have no claim whatsoever against IRCTC or any of the officials in consequence of such termination of the license. No refund of proportionate License Fee shall be admissible in case of Termination under this clause. The Licensee agrees to make good all cost and expenses, if any incurred by the IRCTC for making the substitute arrangements referred to above.
		The License may also be debarred from participating in the future projects of IRCTC after issuance of notice to the licensee.

18. The Termination Notice dated 02nd May, 2025, by which the contract awarded to the appellant for the subject train has been terminated, makes reference to Clause 6.10, with regard to the action taken by the respondent. Therefore, *prima facie*, the action taken by the respondent cannot be faulted with.

19. As regards the submission raised by the appellant pertaining to the mandate of Clause 8.2 regarding issuance of a specific 15 days' cure period notice, in view of reference to Clause 7.1 in the Termination Notice, the

learned Arbitrator by the impugned order has held, as follows:

> *"xxx xxx xxx*
>
> *27. During the course of arguments, the Claimant has not denied the factum of these complaints against the food and services provided by them being regularly brought to their notice by being placed on the online portal which was accessible to them. There is, therefore, merit in the Respondent's plea that it is not as if the Claimant has been taken by surprise about the Respondent's decision regarding the deficiencies in its service.* ***No doubt, the provisions of Clause 8.2 which require a specific 15 day cure period notice, appears to have prima facie not been followed but, at this interim stage, the Respondent's plea that the intent of the said clause which mandates 15 days' notice duly stands fulfilled cannot be simply brushed aside****.*
>
> *xxx xxx xxx"*
>
> *(Emphasis Supplied)*

20. This Court finds no perversity or illegality in the aforesaid finding of the learned Arbitrator, and the same is a plausible view in the facts and circumstances of the present case.

21. This Court also finds merit in the contention of the respondent that the Court would not direct continuation of an arrangement under an agreement which stands terminated. The legality of the termination of the contract by the respondent would be a matter to be determined and adjudicated in the arbitration proceedings. At the interim stage, while considering the application under Section 17 of the Arbitration Act, the learned Arbitrator is only required to consider whether the non-claimant/respondent is *prima facie* entitled to take action for terminating the agreement. At the interim stage, the validity of the Termination Order is considered only to the extent of ascertaining as to whether there is a *prima facie* case in favour of the claimant.

22. It is a settled proposition of law that matters of interpretation of

contract lie primarily within the domain of the Arbitral Tribunal, and would not warrant interference by this Court in an appeal under Section 37 (2)(b) of the Arbitration Act ***(See: Ambrish H. Soni Versus Chetan Narendra Dhakan and Others, 2024 SCC OnLine Bom 2280, Para 17)***.

23. The learned Arbitrator has categorically held that, taking into account the factum of registration of various deficiencies in service quality, and persistent passenger complaints on the online system, it would be against the public interest to grant any interim stay to the appellant herein. Thus, the learned Arbitrator did not find the present case to be a fit case where a *status quo ante* deserved to be granted. The aforesaid view by the learned Arbitrator does not suffer from any infirmity considering the submissions and documents on record. The learned Arbitrator has taken into account the material before the Arbitral Tribunal and has given a *prima facie* finding on the issues before it. The view taken by the learned Arbitrator cannot be said to be perverse and does not warrant any interference by this Court.

24. Accordingly, this Court finds no merit in the present appeal.

25. It is made clear that the observations made in the present order shall not in any way influence the outcome of the arbitral proceedings.

26. The present appeal is consequently dismissed, along with the pending applications.

MINI PUSHKARNA
(JUDGE)

JANUARY 19, 2026
KR/AK/SK