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Arb.O.P.(Comm.Div.) No.513 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **02.12.2022**

CORAM

THE HONOURABLE **MR.JUSTICE SENTHILKUMAR
RAMAMOORTHY**

Arb.O.P.(Comm.Div.) No.513 of 2022

Tmt.Kalaiselvi,
W/o.Mallikarjunan
Residing at No.34/3B, Iyyan Nagar
7th Steet, Parappalayam,
Tirupur District-641 604
Partner, M/s.'ARSAN CHEMICALS CORPORATION'
No.4, 1st Street,
Valipalayam, Tirupur.

... Petitioner

VS.

1. Tmt. S.Umarani
W/o.Late Santhanam
Partner
M/s. Arsan Chemicals Corporation
No.4, 3rd Street,
Valipalayam, Tirupur-641 606
2. Tmt.Rushyendramani,
W/o.P.Selvaraj
Partner
M/s.Arsan Chemicals Corporation,
1/473, John Jothi Nagar
3rd Street, Little Flower Convent Backside



Arb.O.P.(Comm.Div.) No.513 of 2022

Mangalam Road, Tirupur-641 687.

... Respondents

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PRAYER: Arbitration Original Petition filed under Sections 11(5) & (6)(a) of the Arbitration and Conciliation Act, 1996, pleaded to appoint a sole Arbitrator to adjudicate the disputes between the Petitioner and the Respondents arising out of the clause 15 of Partnership Reconstitution Deed dated 31.12.2010 of M/s.Arsan Chemicals Corporation; and (b) direct the Respondents to pay the cost of this petition.

For Petitioner : Mr.S.R.Sundar for
M/s.M.Ravi
For Respondents : Mr.S.Sivashanmugam for R1
Mr.P.M.Duraisamy for R2

ORDER

One of the partners of a partnership firm under the name and style of Arsan Chemicals Corporation has presented this petition. The petitioner relies upon the dispute resolution clause in the partnership reconstitution deed dated 31.12.2010. After issuing a notice dated 17.04.2022 under Section 21 of the Arbitration and Conciliation Act 1996, the present petition is filed.



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2. The respondents are represented by counsel. All the parties submit in unison that there are three partnership firms, namely, Arsan Chemicals Corporation, Veena Tex Chem Industries and Sanmars Textile Process, which had inter se transactions. While the partnership deeds of Arsan Chemicals Corporation and Sanmars Textile Process contain clauses for dispute resolution through arbitration, the partnership deed of Veena Tex Chem industries does not contain an arbitration clause.

3. Nonetheless, except for P.Mallikarjunan, partner of Sanmars Textile Process, the partners of all three partnership firms are parties to these proceedings. By communication dated 01.12.2022, Mr.P.Mallikarjunan has consented to the constitution of a common arbitral tribunal to adjudicate disputes pertaining to the above mentioned three partnership firms. Learned counsel representing the partners of Arsan Chemicals Corporation and Veena Tex Chem Industries and the other partners of Sanmars Textile Process have also consented to the constitution of a common arbitral tribunal since transactions have taken place between these partnership firms



Arb.O.P.(Comm.Div.) No.513 of 2022

and it would be appropriate to decide such disputes through a consolidated proceeding.

4. Accordingly, by consent of parties, a common arbitral tribunal is constituted to adjudicate the disputes pertaining to M/s.Arsan Chemicals Corporation, M/s.Veena Tex Chem Industries and M/s.Sanmars Textile Process.

5. In the result, Arb.O.P.(Com.Div.) No.513 of 2022 is allowed by appointing Mr.Yashod Vardhan, Senior Advocate, 21/8, VII Main Road, Raja Annamalaipuram, Chennai-600 028, mobile no.98410 75397, as the sole arbitrator. The sole arbitrator is called upon to enter upon reference and adjudicate the dispute. The fees and expenses in relation to the arbitral proceedings shall be fixed by the arbitrator in consultation with the parties.

02.12.2022

Index : Yes / No

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Arb.O.P.(Comm.Div.) No.513 of 2022

SENTHILKUMAR RAMAMOORTHY,J

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Arb.O.P.(Comm.Div.) No.513 of 2022

02.12.2022