



Arb. O.P. (Com. Div.) No. 74 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.06.2025

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THE HON'BLE Mr. JUSTICE ABDUL QUDDHOSE

Arb.O.P (Com.Div.) No. 74 of 2025

1.Ravindera Nath Khanna

2.Varahagiri Venkat Giri

... Petitioners

VS.

1. Sanchit Gaurav

2. Marmalade Hospitality LLP

Having its registered office at

56/46, Subasri Apartments, 1st Floor, Door No.2

1st Main Road, R.A.Puram

Chennai, Tamil Nadu, India, 600028.

... Respondents

Prayer : Arbitration Original Petition (Commercial Division) filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, to appoint a Sole Arbitrator to enter reference relating to the disputes that has arisen between the parties herein, and conduct Arbitration Proceedings and to pass Award.

For Petitioners : Ms.Durga Bhatt

For Respondents : Mr.S.Karthik (R2)
Mr.Anupam Agarwal (R1)

ORDER

This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking for appointment of a sole Arbitrator by this Court.



WEB COPY 2. There seems to be a dispute between the petitioners and the respondents arising out of the Limited Liability Partnership Agreement dated 15.10.2021 as well as the First Supplementary Agreement dated 01.06.2023. The first respondent was inducted as a partner in the second respondent's Limited Liability Partnership Firm. The petitioners are the existing partners in the second respondent Limited Liability Partnership Firm. Some of the terms and conditions under the Limited Liability Partnership Agreement dated 15.10.2021 were amended under the First Supplementary Agreement dated 01.06.2023. The original Limited Liability Partnership Agreement dated 15.10.2021 contains an arbitration clause and the same is extracted hereunder:-

“27. Arbitration:

All disputes and differences whatsoever which shall arise between the partners and the personal representatives of the deceased partner relating to any matter or between Partner and LLP whatsoever touching the affairs of the LLP or the interpretation of this Agreement shall be referred to a single arbitrator, if the parties agree upon one, otherwise to a committee of arbitrators one to be appointed by each party to the difference in accordance with and subject to the



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provisions of the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force.

The partners agree that the decision shall be the sole, exclusive and binding remedy between them regarding any and all disputes, controversies, claims and counterclaims presented to the arbitrators. If a decision is not complied with by a partner, then any award or decision may be entered in court of competent jurisdiction for a judicial recognition of the decision and an order of enforcement.”

The petitioner claims that the arbitration clause found in the Limited Liability Partnership Agreement dated 15.10.2021 is applicable to the First Supplementary Agreement dated 01.06.2023 as well.

3. According to the petitioners, only certain terms and conditions under the Limited Liability Partnership Agreement dated 15.10.2021 were amended under the First Supplementary Agreement dated 01.06.2023 and the remaining terms and conditions found in the Limited Liability Partnership Agreement dated 15.10.2021 remains unaltered.

4. The petitioners have invoked arbitration against the respondents



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by issuing notices to the respondents on 03.12.2024 requesting the respondents to accept for arbitration in accordance with the arbitration clause contained in the Limited Liability Partnership Agreement dated 15.10.2021. The petitioners have complied with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996. A reply dated 12.12.2024 has been sent by the first respondent for the arbitration invocation notice dated 03.12.2024 through his counsel. Since there is no consensus between the parties for arbitration and since the respondents have not agreed to the request made by the petitioners for arbitration through their notice dated 12.12.2024 and since the petitioners have complied with the requirement under Section 21 of the Arbitration and Conciliation Act, 1996, this Court will have to necessarily appoint an arbitrator as sought for in this petition.

5. Though the learned counsel for the first respondent, who is appearing through video conferencing, has serious objections for allowing this petition, this Court has to reject the same since the contracts, which are the subject matter of dispute raised by the petitioners admittedly contains an arbitration clause. However, liberty is granted to the respondents to raise objections before the Arbitral Tribunal with



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regard to the arbitrability of the dispute either by filing an application under Section 16 of the Arbitration and Conciliation Act, 1996 or by filing a counter in the main Arbitral Proceedings.

6. The first respondent has been duly served with the notice and the same has also recorded by this Court through this Court order dated 22.04.2025. Till date counter has not been filed by the first respondent. The second respondent has also been duly served with the notice and he is represented by another learned counsel.

7. Since there exists an arbitration clause in the contracts, which are the subject matter of dispute raised by the petitioners in this petition and since the petitioners have complied with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996 and since there is no consensus between the parties with regard to the name of the Arbitrator, this Court has to necessarily appoint an Arbitrator under Section 11 of the Arbitration and Conciliation Act, 1996.

8. For the foregoing reasons, this Arbitration Original Petition is allowed as prayed for by issuing the following directions :-

a) This Court appoints Mr.P.V.Balasubramaniam, Senior Advocate,



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having office at No. III/1, Third Floor, Sai Durbar Apartments, 50, 2nd Main Road, R.A. Puram, Chennai – 600028, (Mobile No. 98410-41888) is appointed as the sole Arbitrator to adjudicate the dispute between the parties arising out of the Limited Liability Partnership Agreement dated 15.10.2021 and the First Supplementary Agreement dated 01.06.2023.

- (b) The Arbitrator shall be paid his/her remuneration / fees in accordance with the 4th schedule of the Arbitration and Conciliation Act, 1996.
- (c) Both the parties shall equally share the arbitrator's fees.
- (d) The Arbitrator shall conduct the arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and shall complete the arbitration within the specified time as prescribed under the said Act.

12.06.2025

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ABDUL QUDDHOSE, J.

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