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

+ **ARB.P. 506/2025**

**PADDY HOSPITALITY PRIVATE LIMITED
AND ANR.**

.....Petitioners

Through: Mr. Laksh Khanna, Mr. Utkarsh Joshi,
Mr. Kanishka Sharma, Ms. Rekha
Kumari & Ms. Diksha Suri, Advs

versus

**YAMMY FOOD AND BEVERAGES LLP
AND ORS**

.....Respondents

Through: Mr. Abhinav Agarwal, Adv for R-2.
Mr. Aditya Trehan, Adv for R-3.

**CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH**

**ORDER
08.07.2025**

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1. This is a petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator for adjudication of disputes arising out of Franchise Agreements for the branding Rolls King.
2. The facts are that respondent No.1 entered into two Franchise Agreements with petitioner No.1 (hereinafter called as "Agreement No. 1 & 2") dated 16.01.2018 and 06.08.2018 containing an arbitration clause being Article 28 Clause 4.
3. Petitioner No.2 entered into another Franchise Agreement with respondent No.1 (hereinafter called as "Agreement No. 3") dated 06.05.2019 containing an arbitration clause being Article 27 (D).
4. Since there were disputes between the parties, both the petitioners invoked arbitration *vide* legal notice dated 06.01.2025 and thereafter, they



filed the present petition.

5. Mr. Trehan, learned counsel appears for respondent No. 3 and Mr. Agarwal, learned counsel appears for respondent No. 2.

6. Learned counsels for both the respondents' state that respondent No. 1 is LLP and in view of Section 26 of the Limitation Liability Partnership Act, 2008, any liability of respondent No. 1, if any, cannot be fastened to respondent Nos. 2 and 3.

7. However, the parties are *ad idem* that the disputes between petitioner No. 1 and respondent No. 1 arising out of the Agreement Nos. 1 & 2 and the disputes between petitioner No. 2 and respondent No. 1 arising out of Agreement No. 3 can be referred to Arbitration.

8. It is also admitted that respondent No. 2 & 3, without prejudice to their rights, shall represents respondent No. 1 in the arbitration proceedings.

9. All disputes and differences between the parties including the liability of respondent No. 2 & 3, if any, in view of the provisions of the Limited Liability Partnership Act, shall be adjudicated by the learned Arbitrator.

10. The disputes arising out of the Agreement No. 1 and 2 shall be treated as one reference and disputes arising out of Agreement No. 3 shall be treated as second reference.

11. For the said reasons, the present petition is allowed and the following directions are issued:-

- i) Mr. Mani Gupta (Advocate) (Mob. No. 8800777922) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
- ii) The arbitration will be held under the aegis and rules of the Delhi International Arbitration Centre, Delhi High Court, Sher



Shah Road, New Delhi (hereinafter, referred to as the 'DIAC').

- iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators' Fees) Rules, 2018.
 - iv) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
 - v) It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claim, any other preliminary objection, as well as claims/counter-claims and merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.
 - vi) The parties shall approach the learned Arbitrator within two weeks from today.
12. Reply of respondent No. 2 is taken on record.
13. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

JULY 8, 2025

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[Click here to check corrigendum, if any](#)