



Arb.O.P.(Com.Div.) No.175 of 2021

In the High Court of Judicature at Madras

Reserved on: 02.2.2026	Delivered on: 17.2.2026
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Coram :

The Honourable Mr.Justice N.ANAND VENKATESH

Arbitration O.P.(Com.Div.) No.175 of 2021

Volleyball Federation of India,
rep.by Secretary General
Mr.Anil Choudry, Room No.72,
Jawaharlal Nehru Stadium,
Chennai-600003

...Petitioner

Vs

Baseline Ventures (India) Pvt. Ltd.,
AWFIS Chemtex House, 6th Floor,
Chemtex Lane, Hiranandani Gardens,
Mumbai-400076.

...Respondent

PETITION under Section 34 of the Arbitration and Conciliation Act, 1996 praying to set aside the award dated 21.11.2020 passed by the learned Arbitrator.

For Petitioner : Mr.P.V.Balasubramanian
For Mr.P.Siddharth for
M/s.BFS Legal

For Respondent : Mrs.Elizabeth Seshadri &
Mr.H.Karthik Seshadri



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ORDER

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This petition has been filed assailing the award passed by the learned Arbitrator dated 21.11.2020 under Section 34 of the Arbitration and Conciliation Act, 1996 (for short, the Act).

2. Heard both.

3. The brief facts of the case are as follows:

(i) The respondent/claimant is a sports marketing and promotion company. The petitioner federation is a registered society and has been recognized as the Ministry of Youth Affairs, Government of India. The petitioner federation is the sole governing body of players of volleyball registered with it. The parties decided to conduct a pro-volleyball league (PVL) and accordingly, they entered into an agreement dated 21.2.2018 for a period of ten years and the respondent/claimant agreed to conduct ten seasons of the league. As per the agreement, the duration of the agreement, the rights to hold, host, organize and operate the league were agreed upon.

(ii) The petitioner federation agreed to be entitled to one time



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payment fee of Rs.2.50 Crores for the entire term of the agreement and in addition to the said one time payment fee, the petitioner federation was also entitled to a minimum guarantee amount as set out in the agreement and 50% of each season's net profit. The first season of the tournament was conducted between 02.2.2019 and 22.2.2019 at Kochi and Chennai.

(iii) Since the petitioner federation was entitled to 50% of the profit, they sent a communication dated 18.6.2019 to the respondent/claimant to furnish all the details of the statement of accounts of the first season of the PVL. In turn, the respondent/claimant sent a reply dated 04.7.2019 and submitted the auditor's report of its statement of accounts for the first season of the PVL. As per the statement of accounts, the respondent/claimant showed a loss to the tune of nearly Rs.1.66 Crores. This was construed by the petitioner federation to have been deliberately done in order to deprive them 50% of the net profit as per the agreement.

(iv) This trigger resulted in a dispute between the parties. Apart from that, the respondent/claimant also attempted to file an application before the Trade Mark Registry to register the name and logo of the PVL in their name, which was also construed by the



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petitioner federation as a breach of the terms of the contract. In view of the above, the petitioner federation issued a notice dated 18.8.2019 to the respondent/claimant pointing out to various acts and deeds, which constituted breach of the agreement committed by the respondent/claimant. The petitioner federation nominated three members to constitute an Audit Committee and called upon the respondent/claimant to furnish all relevant documents before the Audit Committee to be approved by the Governing Council and the petitioner federation before organizing the second season of the PVL.

(v) On receipt of the said notice, the respondent/claimant gave a reply dated 26.8.2019. According to the petitioner, the respondent/claimant tried to justify its action and also made certain personal allegations against the Secretary General of the petitioner federation and maligned their reputation.

(vi) The issues were not amicably resolved between the parties and the relationship between the parties was getting strained. The Federation Internationale De Volleyball (FIVB) convened a meeting on 31.10.2019 with an intention to amicably settle the dispute between the petitioner federation and the



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respondent/claimant. The FIVB suggested an addendum to the agreement. Even thereafter, the dispute was not resolved between the parties and the addendum was not finalised.

(vii) According to the petitioner, the respondent/claimant also did not take any steps to cure the breaches caused by them. The petitioner federation, on 18.11.2019, issued a press release announcing termination of the agreement and by letter dated 19.11.2019, a notice of termination of agreement was issued by the petitioner federation in line with Clause 6.4 of the agreement.

(viii) On receipt of the same, the respondent/claimant, through communication dated 28.11.2019, refuted the allegations made and called upon the petitioner federation to recall the termination letter dated 19.11.2019, failing which, the respondent/claimant would be constrained to initiate legal proceedings.

(ix) The dispute was referred to the learned Arbitrator and the respondent/claimant filed a statement of claim and sought for the relief of directing the petitioner federation to pay a sum of Rs.2.25 Crores along with interest from 18.12.2019 till the date of realization and a further sum of Rs.6.28 Crores (approximately) as damages in view of the wrongful and illegal termination of the



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agreement dated 21.2.2018 along with interest from 19.11.2019 till the date of realization.

(x) Before the learned Arbitrator, the petitioner federation submitted a statement of defence denying the claim made by the respondent/claimant and justifying termination of the agreement. The petitioner federation also made counter claims for directing the respondent/claimant to pay a sum of Rs.14.93 Crores representing the loss on account of breach of the agreement by the respondent/claimant, Rs.2.50 Crores towards damages for loss of reputation, Rs.3,94,521/- towards interest on delayed payment of minimum guarantee fee, to assign the petitioner federation all the trade mark registrations/applications for the mark "PVL" and the logo, to injunct the respondent/claimant from using the mark and for interest and costs.

(xi) The learned Arbitrator, on considering the pleadings, framed the following issues:

"1. Whether the termination of the agreement dated 21.2.2018 through a notice dated 19.11.2019 valid and justify?

2. Whether the failure to conduct the league for the year 2018 constitute a breach of



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the terms of the agreement?

3. Whether the expression of 10 season of league matches for the period of operation of agreement for 10 years mandate the setting up at least one season for every year?

4. Whether the inability of Sony TV to secure a window for telecast of matches of 2018 a justification for not conducting the league for the year 2018?

5. Whether the permission accorded to the claimant to conduct the league 2019 and congratulatory messages of the President of the respondent federation constitute a waiver on the part of the respondent to complain of failure to conduct league matches for 2018?

6. Whether the failure to conduct Women Volleyball League and Beach Volleyball League constitute a breach to support them as grounds, among others for termination of the agreement?

7. Whether the claimant is guilty of manipulation if accounts to return losses for season 2019?

8. Whether the respondent could be stated to be guilty of not setting up an audit committee in the manner contemplated under the agreement as soon as the respondent was dissatisfied with the correctness of the account shown by the claimant?

9. Whether details of expenses shown by



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the claimant under various heads for conduct of the 1st season exaggerated as contended by the respondent?

10. Whether the claimant was entitled to apply for registration of trademark "Pro Volleyball League" as well as its logo unlawful and violative of the terms of the agreement?

11. Whether the copyright for Pro Volleyball League and the logo belong to the respondent and consequently an application by registration by the claimant is wrong and unjustified?

12. Whether the claimant is entitled to assessment of loss of profit to be claimed against the respondent at Rs.4,00,00,000/- and if not, to what amount?

13. Whether the claimant is entitled to claim against the respondent the loss alleged to have been incurred for season I and if so to what amount?

14. Whether the claimant is entitled to allege overhead expenses not included in the auditor statement between April 2018 to October 2019 and if so to what amount?

15. Whether the claimant suffered any loss of reputation on account of termination of the contract to be entitled to any compensation and if so to what amount?

16. Whether the delay in payment of one



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time fee and minimum guarantee amount as stipulated under the agreement justified and if not, what is the quantum of amount payable by the claimant to the respondent?

17. Whether the claimant is liable to pay loss of profits to the respondent in the event of the finding that the termination of contract was lawful to an amount of Ra.14,93,74,246/-and if not, to what amount?

18. Whether the respondent has suffered a loss of reputation by the conduct of the claimant to merit a claim for Rs.2,50,00,000/- or such amount that the Tribunal may determine?

19. Whether the claimant is entitled to interest of Rs.3,94,521/- for delay payment of minimum guarantee fee?

20. Whether the respondent is entitled to seek for assignment of application of trademark Pro Volleyball League and Logo or any other name deceptively similar to it?

21. Whether the respondent is entitled to relief of injunction against the claimant from in any manner using the trademark Pro Volleyball League or its Logo?

22. Whether the parties are entitled to costs of one against the other?

23. Whether the claimant is entitled to assessment of interest for the amount claimed or as assessed and if so, what is the rate of



interest?

24. Whether the respondent is entitled to assessment of interest for the amount claimed or as assessed and if so, what is the rate of interest?

25. To what other reliefs?"

(xii) The respondent/claimant examined C.W.1 and marked Ex.C.1 to Ex.C.84. The petitioner federation examined R.W.1 and marked Ex.R.1 to Ex.R.25.

(xiii) The learned Arbitrator, on considering the facts and circumstances of the case and on appreciation of evidence, passed the following award:

"79. In the result, in the line of findings rendered under the above issues,

(1) The claimant is entitled to loss of profits of Rs.4,00,00,000/- (Rupees four crores only) against the respondent with interest at 12% from the date of commencement of arbitral proceedings till the date of payment;

(ii) The claims for loss for season 1, claim for overheads, expenses and loss of reputation are dismissed;

(iii) The counter claim for Rs.14,93,74,246/- made by the respondent against the claimant is dismissed;

(iv) The damages for wrongful attempt for



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registration of trademark and logo is assessed at Rs.1,00,000/- (Rupees one lakh only) nominally which the claimant is liable to pay the respondent/counter claimant with interest at 12% from the commencement of arbitral proceedings till the date of payment;

(v) There shall be a mandatory direction against the claimant to transfer the application for registration of copyright, trademark and logo for Pro Volleyball League in favour of the respondent/counter claimant;

(vi) There shall be an injunction restraining the claimant from in any manner using/infringing the copyright, trademark or logo for any event that the claimant organizes in future except with the permission of the respondent;

(vii) The parties are at liberty to have a due diligence to be conducted by a neutral auditor for assessment of the account for season I and any payment secured under this award will not affect or be affected by the outcome of such an exercise of audit;

(viii) The rights of franchisees of the 1st season will be governed by the terms of respective contracts and this award will not in any way affect their rights and shall be considered, with the first option of refusal, when a competitive league is organized by the



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respondent or its authorised representative; and
(ix) The claimant shall be entitled to costs
assessed at Rs.5,00,000/- (Rupees five lakhs
only) against the respondent."

(xiv) Aggrieved by the above award, the petitioner federation has approached this Court by filing this petition.

4. The learned counsel appearing on behalf of the petitioner federation made the following submissions:

(a) The respondent/claimant committed breach of the agreement by not conducting season-1 in the year 2018, not conducting the Women's League and the Beach Volleyball League, neglected to pay the one time payment fee and minimum guarantee amount as per the time line in the agreement, neglected to form the Governing Council and the Audit Committee, unnecessarily involved the FIVB in the dispute resolution, snatched the intellectual property rights of the petitioner federation and indulged in manipulation of accounts by showing loss thereby depriving 50% share of the petitioner federation in the net profit.

(b) The learned Arbitrator went wrong in rendering a finding that not commencing the league in the year 2018 and not



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conducting the Women's League and the Beach Volleyball League did not constitute violation of the terms of agreement. Hence, just because there was a failure on the part of the petitioner federation to insist upon performance of the agreement, it would not be deemed waiver of the provision. This finding went against terms of the very agreement and the relevant materials that were placed before the learned Arbitrator and therefore, this finding suffers from perversity and patent illegality.

(c) The learned Arbitrator also went wrong in rendering a finding that there was no manipulation of accounts on the part of the respondent/ claimant and this finding would run against the other findings rendered to the effect that the expenses shown and some of the vouchers exhibited did not accord with the proper detailing of expenses. The accounts required a third party audit and those portions were construed as blemishes and not manipulation of accounts. Hence, this finding also suffers from patent illegality.

(d) The learned Arbitrator further went wrong in rendering a finding that there was no delay in the one time payment fee and the minimum guarantee amount in spite of the fact that C.W.1 admitted that the same had to be paid within a time frame. Therefore, this



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finding requires the interference of this Court.

(e) The learned Arbitrator also went wrong in rendering a finding that the termination notice was not in line with the procedure contemplated under Clause 8 of the agreement without noticing the fact that Ex.C.19 notice dated 18.8.2019 provided for seven days to cure the defects and that ultimately, the termination was done much beyond the period contemplated under the agreement. Therefore, such a finding went against the substantial compliance of the requirements by the petitioner federation under the agreement. Even otherwise, mere procedural irregularities in the termination does not, ipso facto, make the termination illegal. Hence, the said finding also requires the interference of this Court.

(f) The learned Arbitrator once again went wrong in awarding compensation towards the alleged loss of profit suffered by the respondent/claimant without proper reasoning and rendered a finding that Rs.4 Crores would be a reasonable loss of profit on mere surmises.

(g) The learned Arbitrator went wrong in rejecting the counter claims made by the petitioner federation towards damages for loss of reputation and loss of profits.



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5. Per contra, the learned counsel appearing for the respondent/claimant submitted as follows:

The findings rendered by the learned Arbitrator were reasonable since they were supported by sufficient reasons. Such findings were rendered on appreciation of evidence and after considering the terms of the agreement. Such a possible view taken by the learned Arbitrator could not be interfered under Section 34 of the Act. Accordingly, the learned counsel sought for dismissal of this petition by confirming the award passed by the learned Arbitrator.

6. This Court has carefully considered the submissions of the learned counsel on either side and perused the materials available on record and more particularly the impugned award.

7. Before this Court goes into the various issues dealt with by the learned Arbitrator and the submissions made on either side on the findings rendered for the issues, the background, in which, the petitioner federation entered into an agreement with the respondent/claimant assumes some significance. Dealing with the same briefly will lay a foundation to understand this case in its



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proper context. It must also be borne in mind that it was the respondent/claimant, which was bringing in funds, sponsors, franchisees and was undertaking the entire work to conduct the league and the petitioner was a mere facilitator.

8. Earlier, the petitioner federation made an attempt to organize a national volleyball league in the year 2011. But, the same was not successful due to the lacklustre response from the general public. There were several internal squabbles in the petitioner federation, which led to the suspension of the federation by the Government of India in the year 2016 and it was subsequently revoked only in the year 2017 after elections were held and the Secretary General was chosen. The parties were discussing with each other for conducting the league and ultimately, it fructified in an agreement under Ex.C.2.

9. On the one hand, the petitioner federation was the Authority for conducting sports activities relating to volleyball since they were coming under the aegis of the Ministry of Youth Affairs and Sports, Government of India and on the other hand, due to the



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previous failure, they were also looking for parties to conduct events and the presentation made by the respondent/claimant convinced the petitioner federation and they entered into an agreement for conducting the league, which involved national and international players.

The findings of the learned Arbitrator on issue Nos.2 to 5:

10. These issues pertained to non conduct of the league during the calendar year 2018 and the interpretation of the word '**season**' in the agreement.

11. The specific case of the petitioner federation was that the non conduct of the league season-1 in 2018 constituted breach of the contract. The petitioner federation placed reliance on Ex.R.1 and Ex.R.2, which provided for the commencement of season-1 in late August 2018. Apart from that, Clause 1.1 of the agreement stipulated that '**season**' would mean matches to be played each year.

12. The learned Arbitrator gave a finding that the contract did



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not make out any specific stipulation that season-1 would be conducted in 2018 itself. The learned Arbitrator further took into consideration various formalities that were going on between the parties and also took specific notice of the tripartite contracts with the franchisees, which took place only between 10.10.2018 and 03.1.2019 under Ex.C.69. Apart from that, there was also a novation of the tripartite agreement under Ex.C.45 on 12.1.2019. The title sponsor namely '**RuPay**' also came on board only on 25.1.2019 (Ex.C.37).

13. In view of the same, the learned Arbitrator came to the conclusion that the petitioner federation was very well aware that the first season was going to be held only in 2019. Therefore, the learned Arbitrator rendered a finding that if at all the petitioner federation construed that non commencing of season-1 of the league constituted breach of the agreement, they ought to have produced some material to show that they were insisting for the commencement of the league from 2018. In the absence of the same and in the light of the various developments that were taking place upto 2019, in which, the petitioner federation was also a



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party, the learned Arbitrator concluded that the non starting of season-1 in the year 2018 did not constitute breach of the agreement.

14. Apart from the above, the learned Arbitrator interpreted the terms '**league**', '**season**' and '**season year**' and came to the conclusion that even though '**season year**' was treated as synonymous to the calendar year, it should be reckoned only for the tenure of the agreement as subsisting for ten years and that it was not a mandate that for every calendar year, there should be one league event and it was possible that one calendar year could have even two league events to square off the responsibility of conducting an event for one year when there was no event.

15. All the above findings rendered by the learned Arbitrator are certainly possible views on interpretation of the terms of the agreement and also the conduct of the petitioner, which was very well aware that the first season was not going to commence in 2018. **Hence, the findings of the learned Arbitrator do not require the interference of this Court on these issues.**



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Issue No.6:

16. This issue pertained to non conduct of the Women's Volleyball League and the Beach Volleyball League, which, according to the petitioner federation, constituted breach of the agreement.

17. The learned Arbitrator found that there were references about the Women's Volleyball League and the Beach Volleyball League under the rights and responsibilities of the parties at Clause 2.1. The learned Arbitrator, on the basis of the various findings rendered for issue Nos.2 to 5, dealt with this issue also. The learned Arbitrator found that till the conclusion of the first season, there was not even a single communication from the petitioner federation insisting for conducting the Women's Volleyball League and the Beach Volleyball League.

18. The learned Arbitrator also found that there was no specific mandate in the agreement for conducting the Women's Volleyball League and the Beach Volleyball League within any stipulated period and that apart from that, it was the responsibility of the petitioner federation to make available the players since they



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were the sole Governing Body of Players of Volleyball registered and associated with them. The learned Arbitrator took note of certain communications addressed to the Services and the Railways wherein it was found that the insistence was on men players and that there were no steps taken to push the Women's Volleyball League or the Beach Volleyball League.

19. Under such circumstances, considering the conduct of the petitioner federation, the learned Arbitrator found that there was no breach of contract involved merely on the failure to conduct the Women's Volleyball League and the Beach Volleyball League during season-1. ***This finding rendered by the learned Arbitrator is certainly a plausible view on appreciation of evidence and therefore, it does not require the interference of this Court.***

Issue Nos.7 to 9, which pertain to manipulation of accounts:

20. The case of the petitioner federation was that there were several inconsistencies in the invoices submitted by the respondent/claimant and that there were discrepancies in the audit report.



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21. Even the report submitted by the Deloitte, whose services were engaged by the respondent/claimant, would show that the expenses were inflated and false.

22. Therefore, it was contended on the side of the petitioner federation that the revenue earned from advertisements on linear and digital platforms were been reported in the audited profit and loss statement, that the ticketing revenue was less than 76% of the estimate, that there existed unexplained marketing expenses to the tune of Rs.0.57 Crores, that there were discrepancies even in the management fees and marketing expenses and that all those manipulations were done by the respondent/claimant only to deprive 50% share in the net profit under the agreement.

23. The agreement itself contemplated formation of an Audit Committee to look into the accounts where it was the petitioner federation, which had to nominate three persons to the Audit Committee. Such nomination was done through Ex.C.19. Unfortunately, no meeting was convened with the respondent/claimant regarding the audit committee and that there was no push



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on the side of the petitioner federation to drive the Audit Committee to scrutinize the accounts that were handed over by the respondent/claimant.

24. The petitioner federation utilized the services of Price Waterhouse Coopers Private Limited and the respondent/claimant utilized the services of Deloitte. Both the reports were before the learned Arbitrator. On considering both the reports, the learned Arbitrator came to the conclusion that both the reports would have to be kept aside on account of the fact that both the reports could not be strictly construed as an audit since disclaimers in both the reports were too sweeping and that many of the findings remained as questions, which could be answered only by the other side. Hence, the learned Arbitrator proceeded to deal with this issue on the other available materials.

25. In the considered view of this Court, it was this issue regarding sharing of net profit, which actually led to the entire agreement reaching a stalemate. Therefore, this Court will closely scrutinize the findings of the learned Arbitrator and see if they are



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perverse or do suffer from patent illegality.

26. As observed supra, the respondent/claimant was running a business and therefore, was the only contributor in so far as the funds, sponsors and franchisees and all other dynamics for conducting the league were concerned. On the other hand, the petitioner was a facilitator and played an important role in terms of being a powerful All India Body, which had the absolute control over the volleyball sports and the players. In view of the same, as a prudent businessman, the predominant motivation of the respondent/claimant must be to earn profits.

27. Obviously, the responded/claimant is not getting into this venture to suffer loss and in any case, if there is a loss, it is the respondent/claimant, which will suffer the entire burden and not the petitioner federation since the petitioner federation has been guaranteed a minimum of Rs.1 Crore for a season with 10% increment every year from seasons 2 to 10. A share from the net profit will arise only when such 50% of the net profit is higher than the minimum guarantee amount. Even in terms of expenses, it is



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the respondent/claimant, which has to bear the cost of paying the national and international players, referees, ground staff, cheer leaders, refreshment of the petitioner's core team (Ref. Clauses 3.4 and 3.5) and also to bear the cost of travel, lodging and food (Clause 3.3). There is absolutely no outflow in terms of any expenses for the petitioner federation and at the best, they will always earn income and will never suffer a loss and the agreement itself has been designed in that manner.

28. It must also be borne in mind that only season-1 was complete and that all the steps were taken for commencing season-2. Regular communications were happening between the parties. However, the issue of share in the net profit seems to have put spokes in proceeding further with the league. These facts must be borne in mind by this Court while going into this issue.

29. The learned Arbitrator, on appreciation of evidence, rendered a finding that some of the expenses shown and some of the vouchers exhibited did not accord with proper detailing of expenses. On considering the claim also, the learned Arbitrator



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came to the conclusion that the petitioner federation was not allowed any degree of control over the day to day functioning of the respondent/claimant and its every item of expenditure.

30. Apart from that, the respondent/claimant was not expected to submit the accounts of their day to day activities and what was focussed by the learned Arbitrator was as to whether the discrepancies that were found in terms of incurring expenses by the respondent/claimant could be construed as manipulation of accounts.

31. Unfortunately, in this case, the constitution of the Audit Committee did not progress and at some stage, it became non starter except for exchange of details, notes, etc. Many of the answers that have been rendered by C.W.1 during the cross examination did not form part of any of the communications that took place between the parties.

32. The learned Arbitrator found that there was need for a third party audit considering the scale of operation of the size of the



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league involved. However, the discrepancies that were shown did not satisfy the learned Arbitrator to conclude that there was manipulation of accounts. Hence, the learned Arbitrator rightly rendered a finding that if the petitioner federation was of the firm belief that the accounts were manipulated and the share of profit was not duly accounted for, there could have been no bar for the petitioner to seek for the relief of rendering the accounts during the proceedings by appointing an independent auditor or auditor firm. In the absence of the same, the learned Arbitrator was not able to expand the scope of inquiry.

33. The copious reasons given by the learned Arbitrator are certainly possible views and just because this Court will be able to take a different view based on the same set of materials, that will not be a ground to interfere under Section 34 of the Act as the law on this issue is too well settled. ***In view of the same, the findings rendered by the learned Arbitrator on these issues do not require the interference of this Court.***

Issue Nos.16 and 19:



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34. These issues pertained to delay in the one time payment fees and the minimum guarantee amount and also the claim for interest made by the petitioner federation.

35. The case of the petitioner federation was that the learned Arbitrator erred in rendering a finding that there was no delay in the one time payment fees and that the petitioner federation was entitled to payment of interest.

36. The learned Arbitrator took into consideration the fact that there was an obligation on the part of the petitioner federation to raise invoices, that despite repeated requests made by the respondent/claimant, the petitioner did not raise invoices and that once the invoices were raised, payment was made promptly. The learned Arbitrator also took into consideration the fact that the invoices were needed for claiming GST refund. The learned Arbitrator found that the obligation under Clause 3.3 of the agreement has been complied with.

37. *The finding of the learned Arbitrator is based on*



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appreciation of evidence and the relevant clauses and it does not suffer from any perversity or patent illegality warranting the interference of this Court.

Issue Nos.15, 18 and 17:

38. The above issues pertained to loss of reputation arising from the termination of contract and damages/loss of profit claimed by the petitioner federation.

39. The learned Arbitrator found that the loss of reputation was in the realm of tort and not in contracts. Apart from that, there was no loss of reputation involved in this case by virtue of the termination of contract. Therefore, the claim made by both the parties under this head was rejected.

40. In the considered view of this Court, this finding rendered by the learned Arbitrator is perfectly in accordance with law.

41. In so far as the damages and loss of profit claimed by the petitioner federation were concerned, the learned Arbitrator rightly



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found that the petitioner federation killed the goose that laid golden eggs. The petitioner federation also had in their pocket Rs.2.5 Crores, which was the initial one time payment fee and Rs.1 Crore as the minimum guarantee amount. Hence, the petitioner does not suffer any loss and if at all there is any loss/damages, it is only attributable to the attempt made by the respondent/claimant to register their trademark and the logo in their favour. For that, a notional damage of Rs.1 Crore was awarded apart from the relief of injunction.

42. Therefore, the finding rendered by the learned Arbitrator on these issues is also not liable to be interfered by this Court.

Issue No.1:

43. This issue pertained to the validity of termination of the contract effected by the petitioner federation.

44. The learned Arbitrator had already rendered a finding that the non conduct of the league in 2018 including the Women's



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Volleyball League and the Beach Volleyball League did not constitute breach of agreement. The agreement contemplated a particular procedure under Clause 6.3 of the agreement for termination of the agreement. The learned Arbitrator found that 15 days' prior notice was not given when Ex.C.19 notice was issued since only 7 days' notice was given for rectifying the alleged breach.

45. In any case, Ex.C.19, by itself, did not bring about a potential threat of termination of the agreement. Even thereafter, various discussions were held and in fact, there was a FIVB mediated meeting where even a draft addendum had been drawn out and the commencement date for season - 2 was also announced. Hence, Ex.C.19, at the best, can only be construed as yet another communication that took place between the parties and it cannot be certainly treated as a notice of termination.

46. A curious ground was raised on the side of the petitioner federation as if the involvement of the FIVB would also constitute breach of Clause 8.



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47. The learned Arbitrator rightly discarded this attempt by rendering a finding that the FIVB was only attempting to resolve the disputes in order to proceed to conduct season-2 of the league.

48. In so far as the trademark issue was concerned, the learned Arbitrator rightly rendered a finding that Ex.C.19 would not come to the aid of the petitioner federation since it was not in line with Clause 6.3.

49. As rightly contended on the side of the respondent/claimant, there was ambiguity in the interpretation of the clauses contained in the contract and even the learned Arbitrator used the test of assessing for the so-called mischief in terms of trade mark and copyright by claiming the ownership and found that this would have had relevance only at the conclusion of all seasons. The respondent/claimant was marketing and promoting the league and was giving an interpretation that it included the name and logo that were designed for conducting the league.



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50. Therefore, the learned Arbitrator, by applying legal precedents, found that there was no danger of the trade mark to be misused or sold to any third party and the respondent/claimant was not, in fact, trying to run away from the scene so as to cause any damage to the petitioner, which could be construed as a breach of the agreement.

51. In the light of the above discussions, this Court holds that the finding rendered by the learned Arbitrator on this issue does not suffer from any perversity or patent illegality warranting the interference of this Court.

Issue Nos.12 to 14:

52. These issues pertained to assessing of loss of profit by unlawful termination.

53. The learned Arbitrator already rendered a finding that the termination of contract was not justified. Therefore, the learned Arbitrator went into the issue of fixing the loss of profit due to unlawful termination. Thereafter, the learned Arbitrator took into



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consideration Ex.C.40 and gave the detailed estimate as to how the projection of future revenue was made with the actual figures. While undertaking this exercise, Ex.C.34 to Ex.C.39 were taken into consideration. The learned Arbitrator, on appreciation of all the materials, came to the conclusion that fixing a sum of Rs.4 Crores under this head would be highly reasonable.

54. In so far as the loss of profit was concerned, I have held in the decision in ***M/s.State Industries Promotion Corporation of Tamil Nadu Limited Vs. M/s.RPP Infra Projects Limited [O.P.No.494 of 2018 dated 06.10.2025]*** that the Arbitrators are permitted a leaway to employ an honest guesswork and a rough and ready method for quantifying the damages. Proof of actual loss will arise only where a claim is made for loss of profitability.

55. ***The learned Arbitrator rightly employed the correct test by doing an honest guesswork based on the materials while assessing the loss and the same does not require the interference of this Court.***



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56. ***In so far as the interest component and costs were concerned, the same have been properly granted while dealing with issue Nos.22 to 24 and they do not require the interference of this Court.***

57. The upshot of the above discussions leads to the only conclusion that the award dated 21.11.2020 passed by the learned Arbitrator does not require the interference of this Court.

58. Accordingly, the above original petition stands dismissed ***with costs of Rs.2,50,000/- (Rupees two lakhs and fifty thousand only) payable by the petitioner to the respondent.***

17.2.2026

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