IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

FRIDAY, THE NINTH DAY OF OCTOBER
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE K.LAKSHMAN

I.A. NO: 1 OF 2026
IN
ARBITRATION APPLICATION NO: 204 OF 2025

Between:

Mr. Suresh Goud Routh, S/o. Routh Hanmanth Goud, aged about 55 years, Occ: Director of Balaji Convention and Resorts Private Limited. R/o. 5-10-14/6/14, Flat No. 301, Shruthi Apartment, FB Nagar, Old Alwal, Medchal Malakajgiri, Telangna.

...Review Applicant

AND

1. **Keshav Kumar Agarwal**, S/o.Om Prakash Agarwal, aged about 68 years, Occ. Business, R/o.H.No.6-3-1089/A/1, Gulmohar Avenue, Somajiguda, Hyderabad.
2. **Mrs.Tripti Agarwal**, W/o.Nitin Kumar Agarwal, aged about 44 years, Occ: Business, R/o.H.No.6-3-1089/A/1, Gulmohar Avenue, Somajiguda, Hyderabad.
3. **Mr.Nitin Kumar Agarwal**, S/o.Mr.Keshav Kumar Agarwal, aged about 45 years, Occ. Business, R/o.H.No.6-3-1089/A/1, Gulmohar Avenue, Somajiguda, Hyderabad.
4. **Mrs.Mona Agarwal**, W/o.Nikhil Kumar Agarwal, aged about 44 years, Occ . Household, R/o.H.No.6-3-1089/A/1, Gulmohar AVenue, Somajiguda, Hyderabad.
5. **Mr.Nikhil Kumar Agarwal**, S/o.Keshav Kumar Agarwal, aged about 44 years, Occ.Business, R/o.H.No.63-1089/A/1, Gulmohar Avenue, Somajiguda, Hyderabad.
6. **Mrs.Preeti Kedia Alias Priti Kedia**, W/o.Mr.Anand Kedia, aged about 46 years, Occ: Household, R/o.H.No.6-3-1089/A/1, Gulmohar Avenue, Somajiguda, Hyderabad.

...Applicants/Respondents

7. **Balaji Convention and Resorts Private Limited**, represented by its Managing Director, P.Ramireddy, 4-107, Gandhi Nagar, Rajendra Nagar, Shamshabad

Mandal, Ranga Reddy District, Telangana - 501 218.
...Respondents/Respondents

Petition under Section 215 of Arbitration praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to review the final order dated 01.05.2026 in Arbitration Application No. 204 of 2025 and dismiss the instant Arbitration Application.

Counsel for the Review Applicant: Sri Sirgapoor Sahil Reddy

Counsel for the Respondents No.1 to 6/ Applicant: Sri Shakthi, counsel representing Sri M. Hrithik

Counsel for the Respondent No.7: Sri Shiva, counsel representing Sri T. Thrinadh Reddy

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT: HYDERABAD

HON'BLE SRI JUSTICE K. LAKSHMAN

I.A. No. 1 of 2026
IN
ARBITRATION APPLICATION No. 204 OF 2025

Reserved On: 11.09.2026 **Pronounced On:** 07.10.2026

Uploaded On: 07.10.2026

Between:

Mr. Suresh Goud Routh ... petitioner

And

Keshav Kumar Agarwal & Others ...Respondents

This Court passed the following:

ORDER

Heard Sri Sirgapoor Sahil Reddy, learned counsel for the Petitioner; Sri Shakthi, learned counsel representing Sri M. Hrithik, learned Counsel for Respondent Nos. 1 to 6; and Sri Shiva, learned Counsel representing Sri T. Thrinadh Reddy, learned counsel for Respondent No. 7.

2. The present Application has been filed seeking review of the order dated 01.05.2026 passed by this Court in Arbitration Application No. 204 of 2025, which was filed by Respondent Nos. 1 to 6 herein under

Section 11(5) &(6) of the Arbitration and Conciliation Act, 1996 (for short, "the Act, 1996") seeking appointment of Arbitrator.

3. Mr. Suresh Goud Routh, the Review Applicant (hereinafter, "the Applicant") is one of the Directors of Balaji Convention and Resorts Private Limited (Respondent No. 7 – company). Respondent Nos. 1 to 6 were the Applicants in A.A. No. 204 of 2025, whereas Respondent No. 7 was the Sole Respondent therein. Respondent Nos. 1 to 6 and Respondent No. 7 (represented by its Managing Director, Mr. P. Ramireddy) had entered into a registered Lease Deed dated 10.05.2024, bearing Document No. 3848 of 2024. As disputes arose between the aforesaid parties with regard to execution of the Lease Deed and letting out the subject property, Respondent Nos. 1 to 6 filed an application seeking appointment of arbitrator under Section 11 of the Act, 1996 invoking Clause 31 of the Lease Deed, which deals with "Dispute Resolution". *Vide* order dated 01.05.2026, this Court held that the disputes between the aforesaid parties are arbitrable in nature, and considering 'No Objection' reported by learned counsel for Respondent

No. 7, this court appointed **Smt. Koka Radha Devi** (Retired District Judge) as the Sole Arbitrator to adjudicate disputes between the parties.

4. The Applicant submits that the order dated 01.05.2026 is subject to review as the said order was obtained by the Respondents herein by suppressing the fact that Mr. P. Ramireddy had no authority to represent the Respondent No. 7 company. He was never authorized to represent Respondent No. 7 company by virtue of any board resolution or letter. Further, the ***"No Objection"*** recorded in paragraph No. 6 of the order dated 01.05.2026 was given through Mr. P. Ramireddy, who was not authorized to represent Respondent No. 7 company, thereby affecting the legal validity of the proceedings in the Arbitration Application.

5. Mr. P. Ramireddy also suppressed several material facts while pursuing the Arbitration Application before this Court. He filed a petition under Section 241 of the Companies Act, 2013 *vide* C.P. No. 50 of 2025 on 28.11.2025 claiming oppression and mismanagement by remaining shareholders of the company. Despite having filed such application, he represented the same company in the Arbitration Application in collusion with Respondent Nos. 1 to 6 herein, and reported 'No Objection'.

6. The Applicant further submits that CLA Indus Value Consulting Private Limited was appointed for conducting a review of the vendor transactions and specific fund transfers of the company. A '*Forensic Report*' was prepared, wherein it was found that Mr. P. Ramireddy operated the accounts of the Respondent No. 7 company without any board authorization and had siphoned off funds for his personal use. Pursuant to the said report, the Applicant herein filed a complaint with the Economic Offences Wing, Cyberabad, which was registered as FIR No. 91 of 2025 dated 21.11.2025.

7. It is the specific contention of the Applicant that Mr. P. Ramireddy deliberately concealed the institution and pendency of the present Arbitration Application from the Directors and other shareholders of Respondent No. 7 company in collusion with Respondent Nos. 1 to 6. The Applicant learnt about the Arbitration Application only on 17.06.2026, on receiving an e-mail from Learned Sole Arbitrator, serving notice for preliminary hearing which was scheduled on 28.06.2026.

8. Further, the Applicant submits that the mandatory notice invoking arbitration contemplated under Section 21 of the Act, 1996 was

served only upon Mr. P. Ramireddy, but not on Respondent No. 7 company, which is a separate legal entity and a party to the said proceedings. In the absence of such Notice, Respondent No. 7 company was deprived of an opportunity to respond to the claims and participate in the constitution of the Arbitral Tribunal. In support of the same, reliance was placed on the order of the Learned Single Judge of the Bombay High Court in **Malvika Rajnikant Mehta & Ors. v. JESS Construction**[1], wherein it was observed that the requirement of Notice contemplated under Section 21 of the Act, 1996 serves definite purposes. It puts the adversary on notice as to the nature of the claim and provides an opportunity to the adversary to contest the admissibility of claims at threshold. It also has a bearing upon the date of commencement of the arbitration.

9. According to the Applicant, review of an order passed under Section 11 of the Act, 1996 is maintainable. In support of the aforesaid contention, reliance was placed on the order passed by Learned Single Judge of the High Court of Madhya Pradesh in **M/s Prestige Feedmills**

[1] 2022 SCC OnLine Bom 920

Ltd. v. K.N. Resources[2], wherein while referring to the judgment of the Supreme Court in **Municipal Corporation of Greater Mumbai &Anr. v. Pratibha Industries Limited & Ors.**[3], it was held that the High Court in exercise of its powers under Article 215 of the Constitution of India can review an order passed under Section 11 or Section 37 of the Act, 1996.

10. *Per contra*, Respondent Nos. 1 to 6 submit that the Applicant herein has sought to review an order passed under Section 11 of the Act, 1996 by introducing allegations concerning internal disputes amongst the shareholders and directors of Respondent No. 7 company, which neither affect the existence of the arbitration agreement nor the arbitrability of the disputes arising out of the registered Lease Deed dated 10.05.2024. The Applicant has failed to point out any error apparent on the face of the record. While exercising limited jurisdiction under Section 11 of the Act, 1996, this Court cannot re-hear disputed questions of fact. Further, the Applicant herein did not dispute the execution of the Lease Deed, the existence of the arbitration clause, or the arbitrable nature of disputes. It

[2] R.P. No. 134 of 2020, Order dated 23.08.2022
[3] (2019) 3 SCC 203

has not been pleaded that the Lease Deed was executed without the knowledge of the Respondent No. 7 company. The Applicant does not dispute that Respondent No. 7 company is the lessee under the registered Lease Deed.

11. Respondent Nos. 1 to 6 have acted strictly in accordance with the terms of the registered Lease Deed, which recognizes Mr. P. Ramireddy as the Managing Director of Respondent No. 7 company. They merely acted upon the authority expressly represented by Respondent No. 7 company itself in the registered document executed. It was specifically contended that every communication was addressed to the Respondent No. 7 company at its registered office, and not to Mr. P. Ramireddy in his personal capacity. The Applicant's challenge does not pertain to the Lease Deed or the terms and conditions therein, but in relation to the internal affairs of the company.

12. It is further submitted that the Applicant's contention that Mr. P. Ramireddy lacked authority to represent Respondent No. 7 company is untenable. Once the registered Lease Deed itself records the authority of Mr. P. Ramireddy as the Managing Director to execute the document, the

third parties are entitled to proceed on the basis that the representation is valid. In view of the "*doctrine of indoor management*", the internal disputes amongst the Directors and shareholders of the Respondent No. 7 company, cannot invalidate the *bona fide* acts performed by the third parties.

13. It was specifically contended that the present Review Application is liable to be dismissed as the Applicant failed to establish any error apparent on the face of the record, any discovery of new and important fact which could not have been produced earlier despite due diligence, or any other sufficient reason recognized under law for review of a judicial order.

14. The contentions/submissions advanced by Respondent No. 7, are similar to those made by Respondent Nos. 1 to 6. Respondent No. 7 submits that disputed questions cannot be converted into grounds for review. The Applicant herein has not disputed the execution of the Lease Deed or the existence of the arbitration clause, and therefore, the fundamental basis upon which the learned Sole Arbitrator was appointed remains wholly intact. The impugned order was confined to the

constitution of the Arbitral Tribunal, and the parties were granted liberty to raise all the available pleas and defences before the learned Arbitrator. The allegations of collusion between Respondent Nos. 1 to 6 and Respondent No. 7 were categorically denied.

15. Respondent No. 7 represented by Mr. P. Ramireddy further submits about the subsequent conduct of the Applicant herein, who after obtaining knowledge about the constitution of the Arbitral Tribunal, entered appearance and sought to represent Respondent No. 7 company, by filing appropriate memos for protecting its interests. Having participated in the arbitral proceedings, the Applicant is prevented from contending that Respondent No. 7 company was incapable of participating in the arbitral proceedings.

16. Respondent No. 7 represented by Mr. P. Ramireddy contends that this Court does not have the jurisdiction to review the order dated 01.05.2026 passed under Section 11 of the Act, 1996. Placing reliance on the judgment of the Hon'ble Supreme Court in **Hindustan Construction Company Limited v. Bihar Rajya Pul Nirmal Nigam Limited**[4], the

[4] 2025 INSC 1365

Applicant submits that once the arbitrator is appointed, the High Court becomes *functus officio* and cannot sit in judgment over the issue already settled.

17. I have considered the submissions advanced by the Applicant, Respondent Nos. 1 to 6 and Respondent No. 7, as well as the authorities relied upon by them respectively.

18. I find it appropriate to first consider the maintainability of the present Review Application and scope of review. I have duly considered the judgment of the Hon'ble Supreme Court in **Hindustan Construction Company Limited (*supra*)**, wherein it was observed that the High Court as a Court of Record possesses limited power of review to correct any error apparent on the face of the record or to address a material fact that was overlooked. However, such power does not extend to reopening findings on law or re-appreciating issues which have been already decided.

19. It is pertinent to note that in **S. Madhusudhan Reddy v. V. Narayana Reddy**[5], the Hon'ble Supreme Court held that the Court's jurisdiction of review is not the same as that of an appeal. A judgment can be open to review if there is a mistake or an error apparent on the face of the record. An erroneous decision can be corrected by an appellate court, however, an error apparent on the face of the record can be corrected in exercise of review jurisdiction. Order XLVII Rule 1 of the CPC, permits application for review when there exists any other sufficient reason. The expression "*any other sufficient reason*" has been construed to mean "a reason sufficient on grounds, at least analogous to those specified in the rule".

20. Further, in **State of Telangana v. Mohd. Abdul Qasim**[6], the Supreme Court held that mistake or error apparent on the face of record would debar the court from acting as an appellate court in disguise, by indulging in a re-hearing. A decision, however erroneous, can never be a factor for review, but can only be corrected in appeal. The error should be grave enough to be identified on a mere cursory look, and an omission

[5] (2022) 17 SCC 255
[6] (2024) 6 SCC 461

so glaring that it requires interference in the form of a review. Even when two views are possible, the court shall not indulge itself by going into the merits. It being a matter of judicial discretion, it has to be exercised with circumspection and on rare occasions.

21. Being mindful of the limited scope of review jurisdiction, I would now examine whether the grounds for review raised by the Applicant would fall within the ambit of review jurisdiction.

22. In the present case, the Applicant's preliminary contention is that Mr. P. Ramireddy who reported "***No Objection***" on behalf of Respondent No. 7 Company in the Arbitration Application, was not duly authorized to act as its representative. In the absence of such authorization, the "***No Objection***" recorded in *paragraph no. 6* of the order cannot be treated as an act or consent of Respondent No. 7 company. Furthermore, there are internal disputes between Mr. P. Ramireddy and other shareholders of Respondent No. 7 company. In this regard, reliance was placed on the judgment of the Delhi High Court in **Seritec Electronics Pvt. Ltd. v. M/s Computer Peripheral Solutions**[7],

[7] RSA No. 121 of 2013, Judgment dated 21.02.2014

wherein while making reference to the judgment in **Mahanagar Telephone Nigam Ltd. v. Smt. Suman Sharma**[8], the Learned Single Judge observed that the requirement of a specific authorization or resolution assumes particular significance where there exist *inter se* disputes between the shareholders, with respect to control and management of the company.

23. In the present case, it is evident from the FIRs registered against Mr. P. Ramireddy and the proceedings of oppression & mismanagement instituted by Mr. P. Ramireddy under Section 241 of the Companies Act, 2013 against other shareholders, that disputes exist between Mr. P. Ramireddy and the other shareholders of Respondent No. 7 company. It is further the specific contention of the Applicant herein that Mr. P. Ramireddy did not have the requisite authorization to represent Respondent No. 7 company before this Court in the Arbitration Application.

24. The underlying object of the Act, 1996, and the mechanism of dispute resolution contemplated thereunder, is founded upon the principle

[8] 2011 (1) AD Delhi 331

of '*party autonomy*'. The Applicant herein is, therefore, entitled to a fair opportunity to contest the claims raised by Respondents No. 1 to 6 herein in the Arbitration Application before this Court, while representing the interests of Respondent No. 7 company pursuant to due and valid authorization. This would include an opportunity to make submissions with regard to the existence and validity of the arbitration agreement, the arbitrability of the disputes sought to be referred to arbitration, and the constitution of the Arbitral Tribunal.

25. The specific contention of the Applicant herein that Mr. P. Ramireddy had no authorization to represent Respondent No. 7 company and report '*No Objection*' requires examination; more particularly, the proceedings initiated by Mr. P. Ramireddy under Section 241 of the Companies Act, 2013 against other shareholders claiming oppression and mismanagement of affairs of the company; the service of Notice invoking arbitration on Respondent No. 7 company in terms of Section 21 of the Act, 1996; etc. The aforesaid aspects go to the very foundation of the order under review, thereby falling within the limited review

jurisdiction of this Court. In view of the same, this Court does not deem it necessary to delve into the other contentions made by the parties.

26. In the light of the aforesaid discussion, the present Review Application i.e. I.A No. 1 of 2026 is allowed. Consequently, the order dated 01.05.2026 passed in Arbitration Application No. 204 of 2025 is recalled. The said Arbitration Application will be heard afresh in accordance with law.

Sd/- M. VIJAYA BHASKER
JOINT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. Smt. Koka Radha Devi, Retired District Judge, H.No.11-13-58,Flat No.201, Eternal Rams Elite Road No.1, Near SBI Bank, Alakapuri Colony, R.R.District, Hyderabad – 500102 (Mobile # 9704414866)
2. The Section Officer, O.S. Section, High Court for the State of Telangana at Hyderabad.
3. One CC to Sri. M Hrithik, Advocate [OPUC]
4. One CC to Sri. T Thrinadh Reddy, Advocate [OPUC]
5. One CC to Sri. Sirgapoor Sahil Reddy, Advocate [OPUC]
6. Two CD Copies

pr

HIGH COURT

DATED: 09/10/2026



ORDER

I.A.NO.1 OF 2026

IN

ARBAPPL.NO.204 OF 2025

ALLOWING THE I.A.

(8)

26/10/26