



Gaikwad RD

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**  
**CIVIL APPELLATE JURISDICTION**  
**ARBITRATION PETITION NO.31 OF 2022**

Gujarat Infotech Ltd.

...Petitioner

*Versus*

The State of Maharashtra

...Respondent

---

**Mr. Abhijit Patil, i/b. J. G. Aradwad (Reddy) for the Petitioner.**

**Mr. A. R. Patil, AGP, for the Respondent-State.**

---

**CORAM Dr. N. K. Gokhale, J.**

**DATED: 21st September 2023**

**PC:-**

1. The present Petition seeks appointment of an arbitrator under Section 11 of the Arbitration and Conciliation Act, 1996. There was a work order dated 29<sup>th</sup> February 2016 issued by the Collector, Nashik in pursuant to which the Petitioner commenced the work of running a Setu Centre as allotted to the Petitioner for the period from 1<sup>st</sup> April 2016 to 31<sup>th</sup> March 2019. According to the Petitioner, by an order dated 5<sup>th</sup> March 2018, the District Collector and the Chairman of the Setu Samittee, Nashik terminated the work order issued to the Petitioner. The Petitioner filed Writ Petition No.3565 of 2018 in this Court which was disposed of by an order dated 9<sup>th</sup> April 2018 directing the Petitioner to take recourse to Clause 25 of the work order. According to said clause, there was to be direct informal negotiation between the parties in dispute, failing which the Petitioner was given liberty to approach the arbitrator.

2. According to the Petitioner, the dispute was resolved and he was allowed to continue the Setu Centre during the contractual period upto 31<sup>st</sup> March 2019. Even thereafter, since there was no new contractor appointed beyond the expiry of contractual period, he continued to run the Centre. The learned Counsel states that the dispute is in respect of retention by Respondent of the security deposit as well as in respect of furnishing of bank guarantee. Mr. Patil further states that it is out of this contract that the present dispute has arisen and the present Petition is filed for appointment of an arbitrator to resolve that dispute.

3. Clause 25 of the work order dated 29<sup>th</sup> February 2016 relates to the arbitration clause, which reads as under:

**“25) RESOLUTION OF DISPUTE:**

*The DEPARTMENT and the COMPANY shall make every effort to resolve amicably by a direct informal negotiation any disagreement or dispute arising between them under or in connection with the contract.*

*If after thirty (30) days from the commencement for such informal negotiations the DEPARTMENT and the COMPANY are unable to resolve the dispute amicably, the dispute may be referred for arbitration to a sole arbitrator who shall be the Divisional Commissioner of the respective division and whose decision will be final and binding on both the parties.”*

4. Mr. A. R. Patil, leaned AGP appears for the State. He states that the State has no objection to refer the dispute to an arbitrator.

5. I have heard both the parties. On instructions, both the Counsels are agreeable to the name of Sole Arbitrator to be appointed by this Court. As there is consent between the parties for

appointment of a Sole Arbitrator, the Petition is disposed of by the following order:

**ORDER**

1. Shri K. R. Budhvant, Retired Civil Judge, Senior Division is appointed as a Sole Arbitrator to enter reference and adjudicate the disputes between the parties out of the work order dated 29<sup>th</sup> February 2016. The seat of the arbitration shall be Pune as agreed by the parties.
2. The learned Sole Arbitrator shall forward a statement of disclosure as per the requirement of Section 12(1) of Arbitration and Conciliation Act 1996 to the Prothonotary and Senior Master of this Court to be placed on record of this Petition with a copy forwarded to both the parties.
3. At the first instance the parties shall appear before the learned Arbitrator within a period of ten days from the date of uploading of this order or on such date that may be fixed by the Sole Arbitrator.
4. All contentions of the parties on merits of the disputes are expressly left open.
5. The fees payable to the Arbitral Tribunal shall be in accordance with the Bombay High Court (Fee payable to

the Arbitrator) Rules, 2018 which shall be borne by the parties in equal proportion.

6. The Petition is disposed of in the above terms. There will be no order as to costs.
7. Office to forward a copy of this order to the learned Sole Arbitrator on the following address:

**“Shri K. R. Budhvant  
(Retired Civil Judge, Senior Division),  
Shop No.1, Shanti Heights,  
Near Ekarya College, D. P. Road,  
Kothrud, Pune Mob: 9325168177”**

**(Dr. N. K. Gokhale, J)**