



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.2648 OF 2021

Appasaheb Nalavade Gadhinglaj Taluka Sahakari
Sakhar Karkhana Limited

... Petitioner.

Versus

The State of Maharashtra and Ors.

... Respondents.

Mr. P.S. Dani, Senior Advocate a/w. Mr. Chetan Patil, for the Petitioner.

Mr. Niraj Parajapti, for the Respondent No.4.

Ms. S.D. Chipade, AGP for the Respondent-State.

Coram : Sharmila U. Deshmukh, J.

Date : July 11, 2024

P. C. :

1. The challenge in this petition is to the order dated 21st May, 2021 passed by the Additional Chief Secretary, Department of Co-operation, Government of Maharashtra directing the Commissioner of Sugar, Pune to recover a total amount of Rs.24.65 Crores from the Petitioner-Sugar Factory and to pay the same to the Respondent No.4 alongwith simple interest.

2. The primary contention raised by Mr. Dani, learned Senior Advocate appearing for the Petitioner was that the agreement with the Respondent No.4 provided for a dispute resolution to be referred to the Hon'ble Sugar Commissioner, Pune as an Arbitrator in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

3. Upon a query by this Court to the learned counsel for the

Respondent No.4 as to whether in accordance with the dispute resolution as specified in the collaboration agreement between the parties, the matter can be referred to the arbitration of the Hon'ble Sugar Commissioner. Learned counsel for the Respondent No.4, on instructions, submits that the Respondent No.4 is agreeable for the dispute to be resolved through the arbitration of Hon'ble Sugar Commissioner, Pune.

4. In light of the consensus which has been arrived at between the parties, by consent, order dated 21st May, 2021 is hereby quashed and set aside.

5. In accordance with Clause 18 of the Collaboration Agreement dated 4th March, 2014, the Hon'ble Sugar Commissioner, Pune is appointed as an Arbitrator. The Respondent No.4 to submit his statement of claim before the Hon'ble Sugar Commissioner, Pune within a period of four weeks from today. The Arbitration thereafter to proceed in accordance with law. Considering that the collaboration agreement is of the year 2014, the Hon'ble Sugar Commissioner is requested to decide the same expeditiously.

6. All rights and contentions of both the parties are expressly kept open.

7. Writ Petition stands disposed of in the above terms.

8. In view of the disposal of the petition, Civil/Interim Applications, if any, taken out in this petition, does not survive and same is disposed of.

[Sharmila U. Deshmukh, J.]