



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD**

ARBITRATION APPLICATION NO. 32 OF 2024

Laxman S/o Kishan Gorantyal And Another

VERSUS

Sanjay Narayan Gorantyal And Others

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Mr. A. N. Sikchi, Advocate for Applicants

J. P. Legal Associates, Advocate for Respondent nos.1 and 2

Mr. V. L. Bhange h/f Mr. K. D. Jadhav, Advocate for
Respondent no.3

CORAM : ROHIT W. JOSHI, J.

DATED : 31ST JULY, 2025

PER COURT :-

. This is an application under Section 11 of the Arbitration and Conciliation Act, 1996, for appointment of Arbitrator. The Arbitration Clause is incorporated in the partnership deed dated 30.09.2013, executed between the parties. The applicants have issued notice of concurrence dated 15.07.2024, suggesting name of a former Judge to be appointed as Arbitrator.

2. Respondents have replied to the said notice vide reply notice dated 12.08.2024, contending that there is no dispute warranting appointment of an Arbitrator.

3. Learned Counsel for the applicants refers to the notice dated 15.07.2024, to contend that the respondents are mis-managing the affairs of the partnership firm and are not

disclosing particulars with respect to financial transactions. He contends that funds of the firm are being diverted and that is the dispute arrived between the parties.

4. An allegation is made regarding existence of dispute between the parties with respect to management of affairs and diversion of funds. Correctness or otherwise of these allegations cannot be adjudicated in an application under Section 11. Keeping the merits of the rival contentions open, the said objection for appointment of Arbitrator is rejected having regard to the scope of proceeding under Section 11.

5. The other contention by the learned Counsel for the respondents is that the claim is barred by limitation. However, on a query made by this Court, the learned Counsel for the respondents submits that the firm is not yet dissolved and the business is ongoing. In that view of of the matter, the claim cannot be said to be barred by limitation.

6. The third and the last objection by the learned Counsel for the respondents is that similar matter pertaining to a sister concern/parties was taken up for adjudication in an arbitration and the said matter is decided against the applicants. I am afraid, this also cannot be a ground for

refusing to appoint Arbitrator. The dispute in the other business concern of the parties does not have any relevance with the dispute in the present matter.

7. In view of the above, the application needs to be allowed. The parties jointly submit that Justice Sunil P. Deshmukh, a former Judge of this Court is already appointed as an Arbitrator in another dispute between the same parties. The parties jointly request that Justice S. P. Deshmukh be appointed as sole Arbitrator for resolution of dispute between the parties.

8. Accordingly, application is **allowed** by making appointment of Justice S. P. Deshmukh, former Judge of this Court as sole Arbitrator for resolution of disputes between the parties in relation to partnership firm namely, Lakshman And Company (Hotel Amber). Petitioners are directed to pay process fee as computed by the office. Needless to mention that all the contentions with respect to merits of the matter are kept open.

(ROHIT W. JOSHI, J.)