
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
ARBITRATION PETITION NO. 19 OF 2025

Starlite Components Limited

...Petitioner

Versus

Ambernath Municipal Council & Anr

...Respondents

Mr. Aayu Saxena, a/w Hritika Shroff, Nikita Bordepatil, i/b FF & Associates, for the Petitioner.

Mr. Suyash Gadre, a/ w Abhishek Tohke, i/b Abhishek Thoke, for Respondent No.1.

CORAM : SOMASEKHAR SUNDARESAN, J.

DATE : JUNE 30, 2025

ORDER :

1. This Petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (***“the Act”***), seeking appointment of an arbitrator in connection with disputes and differences that are said to have arisen between the parties under an agreement dated March 1, 2014. The arbitration agreement is contained in Clause 51 (found at Page 32 of the Petition). In the interest of brevity, the arbitration agreement is not being extracted here. Suffice it to say that this matter falls within the jurisdiction of this Court.

2. It is apparent from the record that the arbitration agreement was invoked by the Petitioner on September 25, 2024. There is no reply filed to the said invocation.

3. The existence of the arbitration agreement is not in any serious dispute. The objections from the Respondents are two fold. *First*, that at the time of filing this Petition, the company was under Corporate Insolvency Resolution Process (“**CIRP**”) under the Insolvency and Bankruptcy Code, 2016. It is the contention of the Respondent that this Petition has been filed pursuant to a Board Resolution/Authority Letter given to the resolution professional of the Applicant on April 19, 2023. The CIRP applicable to the Petitioner came to an end pursuant to an order dated March 14, 2024. This Petition has been filed on December 16, 2024, and the resolution authorizing the resolution professional is the one appended to the Petition.

4. Consequently, he would submit that the authority under which this Petition was filed had ceased to exist at the relevant time, and therefore this Petition must not be entertained. We are unable to accept this contention because the length of time for which the resolution professional may act after approval of a resolution plan is a matter of operational and internal procedural detail that has to be dealt with

between the resolution professional and the newly appointed board of directors, if any. In any case, this is essentially a question of fact that is not germane to the scope of jurisdiction of this Court under Section 11 of the Act. If the existence of the arbitration agreement is writ large on the face of the record, whether a body corporate which is the party to the agreement has continued to function with the resolution professional playing a role or whether every step must be taken only by the Board of Directors would necessarily relate to the management of the internal affairs of the body corporate.

5. It is not uncommon that the resolution professional tends to continue to be in conduct of the affairs of the company, particularly, in cases where Appeals may have been filed over the approval of the resolution plan. These are matters of evidence which fall outside the scope of the jurisdiction of this Court and may be raised before the arbitral tribunal by the Respondent, if so advised.

6. *Second*, the objection is that Respondent No.2 is the State of Maharashtra, who has nothing to do with the agreement. Learned Counsel for the Petitioner submits that there is no intention to pursue any proceeding against the State of Maharashtra and seeks liberty to

delete Respondent No.2 from the array of parties. Liberty is granted as prayed.

7. In these circumstances, nothing survives in the objections to allowing this Petition, which is ***finally disposed of*** in the following terms:-

A) Mr. Mutahhar Khan, a learned advocate of this Court is hereby appointed as the Sole Arbitrator to adjudicate upon the disputes and differences between the parties arising out of and in connection with the Agreement referred to above;

Office Address:-

C/o Sharan Jagtiani, Ground Floor,
Oval House, British Hotel Lane,
Fort, Mumbai – 400 001.

Email ID: mutahhar.m.khan@gmail.com

B) A copy of this Order will be communicated to the Learned Sole Arbitrator by the Advocates for the Petitioner within a period of one week from the date of upload of this order. The Petitioner shall provide

the contact and communication particulars of the parties to the Arbitral Tribunal along with a copy of this Order;

C) The Learned Sole Arbitrator is requested to forward the statutory Statement of Disclosure under Section 11(8) read with Section 12(1) of the Act to the parties within a period of two weeks from receipt of a copy of this Order;

D) The parties shall appear before the Learned Sole Arbitrator on such date and at such place as indicated, to obtain appropriate directions with regard to conduct of the arbitration including fixing a schedule for pleadings, examination of witnesses, if any, schedule of hearings etc. At such meeting, the parties shall provide a valid and functional email address along with mobile and landline numbers of the respective Advocates of the parties to the Arbitral Tribunal. Communications to such email addresses shall constitute valid service of correspondence in connection with the arbitration;

E) All arbitral costs and fees of the Arbitral Tribunal shall be borne by the parties equally in the first instance, and shall be subject to any final Award that may be passed by the Tribunal in relation to costs.

8. Needless to say, nothing contained in this order is an expression of an opinion on merits of the matter or the relative strength of the parties. All issues on merits are expressly kept open to be agitated before the arbitral tribunal appointed hereby.

9. All actions required to be taken pursuant to this order shall be taken upon receipt of a downloaded copy as available on this Court's website.

[SOMASEKHAR SUNDARESAN, J.]