
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

ARBITRATION PETITION NO. 297 OF 2024

Santosh Shantaram Rane
Vs.
Royale Housing & 6 Ors.

... Petitioner
.. Respondents

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Mr. Piyush Raheja *i/b Mr. Kishor Maru, for Petitioner.*
Mr. Sachin Masurkar *a/w. Chitra Kawalekar and Nimish Achrekar, for*
Respondent nos. 1 to 4.
Ms. Chitra Rao, *for Respondent No. 5.*
Mr. Manohar V. Shetty *a/w. Shantanu Shetty and Sarvesh Mishra, for*
Respondent No. 6.
Ms. Nishta Garg *i/b Ms. Neha D. Nagotaneekar, for Respondent No. 7.*

CORAM : SOMASEKHAR SUNDARESAN, J.

Date : July 16, 2025

Order :

1. This is a Petition under Section 9 of the Arbitration and Conciliation Act, 1996 (“***the Act***”).
2. The rejoinder is taken on record.
3. Disputes and differences in this matter relate to a Development Agreement, dated December 12, 2022 (“***Development Agreement***”). The issues arising in this matter centre around two flats, namely flat Nos. 293 and 294. The Petitioner is a member of the society in respect of flat No. 293, while Respondent No. 6 is a member of the society in respect of flat No. 294.

4. The Petitioner and Respondent No. 6 are siblings and offspring of Respondent No. 7, their mother. Respondent No. 6 has been living in flat No. 294, and has subsequently been made a member of the society in respect of the said flat. Learned Counsel for Respondent No. 7 submits that she, as the mother, had made a conditional gift of flat No. 293 to the Petitioner and that the financial payments made under the Development Agreement ought to be given to her. The Petitioner has no quarrel with handing over financial payments received by him to his mother and his advocate makes a statement to this effect to the Court, on instructions.

5. Respondent Nos. 1 to 4 (collectively, “*the Developer*”) is said to have not made out any financial payments in respect of flat No. 293 to the Petitioner, necessitating this Petition.

6. Having heard the parties at some length, it is apparent that the only appropriate course of action for the parties would be to proceed to arbitration should they desire to thrash out their differences in terms of what the respective entitlements should be. However, in terms of the Development Agreement, all emoluments and payments in respect of flat No. 293 must necessarily go to the Petitioner. In fact, it is the Petitioner whose name is shown originally as a member in respect of both flat Nos. 293 and 294. Respondent No. 6 is said to have been added as a member in respect of flat

number 294 subsequently, and an addendum to the Development Agreement has also been executed. In these circumstances, the Developer must forthwith release payments relating to flat No. 293 to the Petitioner and flat number 294 to Respondent No. 6.

7. The statement of Learned Counsel for the Petitioner that he would hand over all the emoluments received from the Developer/Society under the Development Agreement to his mother, i.e., Respondent No. 7 is also taken on record.

8. It is made clear that the Developer shall not sit on any of the funds or make proposals to deposit it in Court in the light of the aforesaid factual matrix. The Developer shall release all payments in respect of each of the two flats as aforesaid, within a week of the upload of this order on the website of this Court.

9. Any amounts already received by Respondent No. 6 and the Petitioner shall be appropriately adjusted towards the dues owed to them in terms of this order.

10. The Permanent Alternate Accommodation Agreement for each of the two flats shall be executed by the respective members in whose name the flat

is currently shown as a member. Nothing contained in this order is meant to express an opinion on the merits of any real or substantive entitlement in respect of disputes that may exist between the Petitioner, Respondent No. 6 and Respondent No. 7. They may initiate such proceedings as advised in such forum as available to them in law.

11. The Petition is ***finally disposed of*** in the aforesaid terms.

12. 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.]