

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMMERCIAL ARBITRATION APPLICATION NO.344 OF 2025

|                              |                 |
|------------------------------|-----------------|
| Dilip Motilal Budhani & Anr. | ....Applicants  |
| Versus                       |                 |
| Arvind Budhani & Anr.        | ....Respondents |

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**Ms. Ruju R. Thakker** a/w. *Mr. Priyanshu Doshi, Advocates for Applicants.*

Respondents were represented, but the appearance has not been submitted.

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**CORAM: SOMASEKHAR SUNDARESAN, J.**

**DATE : SEPTEMBER 3, 2025**

**ORDER :**

1. This Application 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 a Partnership Deed dated March 28, 2022 (***“Agreement”***). The arbitration agreement is contained in Clause 12 (Found at Page No.25 of the Application) of the Agreement. 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 Applicant on February 14, 2025.

3. The primary objection on behalf of the Respondents is that the Respondents have retired from the Partnership Firm and therefore, the arbitration clause would no longer bind them.

4. I am unable to accept the aforesaid contention. Be that as it may, once there are disputes and differences between the parties, whether the disputes relate to the period prior to retirement or in connection with retirement or relate to something unconnected to the Partnership Deed, are all questions of jurisdictional fact, which will have to be gone into by the Arbitral Tribunal in terms of appropriate proceedings under Section 16 which may be filed by the Respondents if so advised.

5. Having noticed that an arbitration agreement is in existence, namely, Clause 12 of the Partnership Deed dated March 28, 2022, any disputes and differences in connection with the Partnership would be amenable to resolution by arbitration.

6. The scope of review under Section 11 is explicitly set out in Section 11(6A) of the Act. It is now trite law, with particular regard to the decisions of a seven-judge bench in the *Interplay Judgement*

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*1 In Re: Interplay Between Arbitration Agreement under Arbitration and Conciliation Act, 1996 and Stamp Act, 1899 – (2024) 6 SCC 1*

followed by multiple others, including *SBI General<sup>2</sup>* and *Patel<sup>3</sup>* that the Section 11 Court ought not to venture beyond examining the existence of a validly existing arbitration agreement that has been formally executed. Even questions of existential substance is a matter that falls squarely in the domain of the arbitral tribunal, in view of Section 16 of the Act.

7. Being satisfied that an arbitration agreement is validly in existence, and that arbitration has been duly invoked, it is in the fitness of things to refer the disputes and differences between the parties in connection with the aforesaid agreement to arbitration by a Sole Arbitrator.

8. In these circumstances, the Application is hereby ***finally disposed of***, in terms of the following order:

A] Mr. Kedar Dhongde, 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. The contact details of the Learned Arbitrator are as under:-

Office Address:- C/o P Narayan & Associates  
67/2, Uberoi House,  
Karve road, Nal Stop, Karve Road,  
Pune Near Yezdi showroom.  
Email ID: advdhongde@gmail.com

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<sup>2</sup> *SBI General Insurance Co. Ltd. Vs. Krish Spinning – 2024 SCC OnLine 1974*

<sup>3</sup> *Ajay Madhusudan Patel Vs. Jyotindra S. Patel – 2024 SCC OnLine, 2597*

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

9. 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.

10. 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.]**