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

COMMERCIAL ARBITRATION PETITION (L) NO. 28408 OF 2025

Sahakar Ventures And Ors.

...Petitioner

Versus

Rohan Virani And Ors.

...Respondent

Mr. Rajiv Narula a/w Ms Nidhi Loya i/b Jhangiani i/b Narulla & Associates, for Petitioners.

Ms. Fereshte Sethna a/w Mohit Tiwari, Parkalathan Bathey, Naomi Ting, Sushmita Chauhan & Tarang Saraogi i/b DMD Advocates, for Respondents.

CORAM: SOMASEKHAR SUNDARESAN, J.

DATE: JUNE 12, 2026

Judgement:

Context and Factual Background:

1. This Petition is essentially an Appeal filed under Section 37 of the Arbitration and Conciliation Act, 1996 (***“the Act”***), challenging an order dated August 29, 2025 (***“Impugned Order”***), passed by a Learned Arbitral Tribunal under Section 17 of the Act. The Impugned Order directs disclosure of information as set out in Annexure-3 of an Additional Affidavit dated June

24, 2025, filed by Respondent No.1, Rohan Virani (**“Rohan”**) and the direction is to Petitioner No.1, Sahakar Ventures (**“Sahakar Ventures”**), Petitioner No.2, Mr. Mansurali Virani (**“Mansurali”**) and Petitioner No.3, Mr. Sahil Virani (**“Sahil”**) (collectively, **“Petitioners”**) and Respondent No. 3, Mr. Vikrant Parulekar (**“Vikrant”**).

2. Respondent No.2, Ms. Amina Virani (**“Amina”**) is the mother of Rohan. Rohan's father, Mr. Firoz Virani (**“Firoz”**) was a partner in Sahakar Ventures, along with his brother, Mansurali (Rohan's uncle). Firoz had an initial share of 12.5% in the partnership and such stake is said to have increased to 20%. The Partnership Firm had been constituted by a Partnership Deed dated March 26, 2019 (**“Partnership Deed”**), which contains the Arbitration Agreement among the parties.

3. Sahakar Ventures entered into a Joint Development Agreement dated November 8, 2019 (**“JDA”**), with Sanchit Co-operative Housing Society Ltd. for redevelopment of the property belonging to such Society. The disputes and differences relevant for this Petition centre around the project costs for the redevelopment covered by the JDA. Rohan was inducted as a partner into Sahakar Ventures by a Deed dated July 17, 2020, on which date, certain other partners namely the Thakkar Group retired from the Partnership Firm.

4. Firoz passed away on September 11, 2020. It is seen from the record that Amina and Rohan have had differences of opinion with Mansurali about insight into the conduct of affairs of Sahakar Ventures. They sought inspection of the records of the firm on March 3, 2021, after which, on April 28, 2021, the Petitioners purported to have “terminated” the Partnership Deed to contend that Rohan ceased to be a partner of Sahakar Ventures. This led to arbitration proceedings and eventually to the Impugned Order.

Analysis and Findings:

5. I have heard Mr. Rajiv Narula, Learned Advocate on behalf of the Petitioners and Ms. Fereshte Sethna, Learned Advocate on behalf of the Respondents, at length. With their assistance, I have examined the material on record.

6. The primary ground of attack on the Impugned Order by Mr. Narula is that the Impugned Order enables Rohan and Amina to conduct a fishing enquiry asking for significant commercial details of Sahakar Ventures without any contribution having been made by them towards the partnership. Mr. Narula would contend that not only have the operations of Sahakar Ventures been entirely funded by contributions from Mansurali and Sahil, with Rohan not having made any contribution towards his 10% share, but also that Rohan

and Amina have actively worked against the interests of Sahakar Ventures, and have placed hurdles in the path of redevelopment undertaken.

7. He would rely upon the Judgement of the Supreme Court in the case of ***Gattu Lal***¹ to submit that in terms of the law declared by the Supreme Court, Rohan is clearly a person who has abandoned the role of a partner in the firm, and therefore would have no entitlement to the benefits of the partnership or to demand information from Sahakar Ventures.

8. Having considered the record from the perspective of the challenge mounted by Mr. Narula, in my opinion, the Impugned Order calls for no interference at all.

9. To begin with, the Learned Arbitral Tribunal has clearly noted that specific issues of partnership entitlement and even the validity of the unilateral termination of the partnership are matters of trial and evidence would need to be led for findings to be returned. On the other hand, Rohan's partnership interest is very much a part of the record and such partnership interests cannot be wished away pending the conduct of arbitration proceedings. Therefore, it would only be appropriate for the Learned Arbitral Tribunal to have enough material to be apprised about the costs of the project, the revenues from it, and the consequential profits of Sahakar Ventures.

1 *Gattu Lal v. Gulab Singh And Anr. - (1985) 1 SCC 432*

10. It is seen that while wide ranging records had been sought in the Section 17 Application, Rohan ultimately restricted the reliefs to seeking information and the records listed in Annexure-3 to the Additional Affidavit dated June 24, 2025. A perusal of that Annexure indicates that the details sought therein squarely relate to the operations of Sahakar Ventures and data pertaining to the redevelopment being undertaken pursuant to the JDA.

11. Rohan had commissioned an expert assessment of the costs of construction and a report of M/s. Sura and Associates had been obtained by him. The Learned Arbitral Tribunal noticed a *prima facie* case indicated by Ms. Sethna in the arbitration proceedings, whereby, the cost of construction was estimated in the region of Rs.113.48 crores which covers the costs of construction of the building as well as internal and external developments. Yet, the JDA itself had indicated a cost of Rs.27.75 crores. Naturally, the subject matter of the Arbitration Agreement would entail reconciliation of these two widely varying figures, and when seen in the context of Rohan being an owner of a 10% share, getting such information would necessarily be within the ambit of Section 17 of the Act.

12. Even if Rohan were to cease to be a partner, he would still be entitled to accurate accounts and data integrity on the means of his separation. Taking

Mansurali's case at its highest, it would still follow that data relating to the redevelopment would be relevant for his separation from Sahakar Ventures.

13. It is clear law that the powers of an Arbitral Tribunal under Section 17 of the Act are quite similar to the powers of a Section 9 Court and if such information is necessary in aid of conducting the arbitration proceedings, it is well within the power of the Arbitral Tribunal to seek the same and deal with it.

14. It cannot be forgotten that Rohan and Amina are also the legal heirs of Firoz and the Learned Arbitral Tribunal has noted that the partnership firm would survive the demise of Firoz, requiring the entitlement of the legal heirs to be examined. Against this backdrop, the unilateral, purported termination of the partnership by Mansurali does not inspire confidence of such a nature at a *prima facie* stage that this Court should interfere with the legitimate view of the Learned Arbitral Tribunal that getting the information is important for Rohan.

15. The contentions by Mr. Narula about Rohan's failure to make financial contributions and his refusal to sign documents for purchase of transferable development rights, thereby posing impediments to the project, even if taken at face value and assumed to be correct, would not necessarily follow that one of the partners could unilaterally be thrown out of a partnership firm as if the

termination of a partner's interest can be effected by another partner. What calls for capital contribution were made, what negotiations were had about the source of funds, and the terms of contribution, are all facts that have to be gone into before deciding that a partner has failed to contribute. The Learned Arbitral Tribunal will examine all these facets in the course of the arbitration but at this stage, the limited relief of disclosure of information is completely legitimate and does not call for any interdiction.

16. In this context, it is pertinent to note that the Learned Arbitral Tribunal has extracted Clauses 5, 6 and 7 of the Partnership Deed which are provisions in the Partnership Deed relating to partners making contributions. A plain reading of the Impugned Order and these clauses would indicate that these provisions entail mutual consent of the partners in order to give rise to an obligation to contribute capital. Mr. Narula's contention that Rohan does not have the means to contribute to Sahakar Ventures, as well as the contention that his induction was induced by fraud, too would not enable Mansurali to unilaterally terminate the Partnership Deed. Whether or not such contentions are accurate and who has committed a fraud on whom, is a matter of trial, which will have to await the conduct of the arbitration proceedings.

17. On the other hand, the Learned Arbitral Tribunal has recorded the contentions by Ms. Sethna that after the demise of Firoz, a total amount of

Rs.64 lakhs appeared to have been withdrawn from bank accounts held in the name of Firoz with Rohan and from another bank account held in the name of Firoz with Amina. When alerted to such withdrawals from system-generated SMS messages on his mobile phone, Rohan claims to have instructed the bank not to permit further debits. This too is a matter of trial and would need to be examined. *Prima facie*, contribution of capital to Sahakar Ventures is a matter of mutual consent of the parties and there is nothing to indicate, as rightly held by the Learned Arbitral Tribunal, that a partner must bring in money on demand from another partner, without any negotiations as to what needs to be contributed.

18. It is in this context that the Learned Arbitral Tribunal has noticed that the amount of partnership capital stipulated in Clause 6 of the Partnership Deed is merely Rs.50,000 and it is nobody's case that Rohan has not brought in an amount of Rs.5,000 towards his 10% share in the partnership firm. The Learned Arbitral Tribunal has also found that right from July 2020 when he was inducted, there has been no complaint in this regard.

19. It is also apparent that Rohan was presented with a deed of reconstitution of the partnership firm on the same date as the purported termination, which, it is contended, was never negotiated or presented to Rohan. *Prima facie*, it appears to have been a step taken in aid of squeezing

out a partner against his will. All these are subject matter of trial and evidence, and even if Mansurali's position is accepted on trial, the veracity of the books of accounts would need to be tried. Therefore, the analysis by the Learned Arbitral Tribunal of Section 12 of the Indian Partnership Act, 1932, entitling every partner to access, inspect and copy any of the books and accounts of the firm and a right to participate in the conduct of the business simply cannot be faulted. The ingredients of Section 12 of the Partnership Act are also embodied in Clause 14 of the Partnership Deed and therefore, the Learned Arbitral Tribunal's analysis of this point does not call for any interference.

20. Finally, the Learned Arbitral Tribunal has also examined the reliance upon ***Gattu Lal*** on behalf of the Petitioners. The Learned Arbitral Tribunal found that the facts in ***Gattu Lal*** are vastly different from the facts of this case. In *Gattu Lal*, sharing the spoils among a "sub partnership" in relation to proceeds from a decree relating to the main partnership was subject matter of the dispute. A preliminary and final decree was passed in favour of one Mr. Gattu Lal, and it was an admitted case that neither of the other partners contributed towards the expenses of the litigation and the Suit came to be decreed. It is in this context that the abandonment by the other two partners of their rights under the partnership and thereby their benefits from the decree obtained by Mr. Gattu Lal came up for judicial consideration and it was

held that another partner who did not spend a single penny towards the litigation conducted by Mr. Gattu Lal could not claim to be entitled to a share in the decree. The disputant partner, Mr. Gulab Singh, in fact, gave evidence denying knowledge of the partnership between Mr. Gattu Lal and Mr. Jagdev Singh, and in that context, the Supreme Court held that Mr. Gulab Singh did not have any right to the benefits of the decree.

21. I agree with the Learned Arbitral Tribunal that this judgement has no relevance whatsoever to the facts of this case. I am unable to see how anything from here can be extrapolated to the instant case and that too at an interlocutory stage.

22. In these circumstances, considering the nature of the information directed to be provided by the Learned Arbitral Tribunal could only aid the conduct of the arbitral proceedings, no case for interference with the Impugned Order has been made out.

23. The Petition is accordingly ***dismissed***.

24. Costs must follow the event. Therefore, the Learned Arbitral Tribunal is requested to ascertain the costs incurred by the parties for this round of litigation, when examining the overall implications of costs in the conduct of the arbitration proceedings.

25. 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.]