

Misc. Civil Application No. 308 /2025

IN THE COURT OF HON'BLE DISTRICT JUDGE,

KOLHAPUR AT KOLHAPUR

1. **M/s Central Printers**
Through Active Partner
Shri Vilas Ganpatrao Karande
 Age: 74 years, Occu: Business
 R/o: 27, Kh/2k, E ward, Opposite
 Circuit House, Tarabai Park, Kolhapur
2. **Shri Krishnarao Ganpatrao Karande**
 Age: 80 years, Occu: Business
 R/O:- do
3. **Shri Vilas Ganpatrao Karande**
 Age: 74 years, Occu: Business
 R/O: do
- 4) **Suresh Ganpatrao Karande, D/H.**
 A) **Smt. Kasturi Suresh Karande,**
 Age: 58 years, Occu: Housewife,
 R/o. C.S. No. 2206, C, Sali Galli,
 Akbar Mohalla, Somvar Peth, Kolhapur.
 B) **Sou. Priya Abhay Suryawanshi,**
 (Maiden Name: Priya Suresh Karande)
 Age: 36 Years, Occu: Housewife,
 R/o: do

Order
 Call say of Opponents
 as to why stay should not be
 granted to execution of award.


 23/11/2025
Asstt. Superintendent (Fin)
 District & Sessions Court, Kolhapur

Dt. 04/12/2025

P. D .J.
 Kolhapur

C) **Ms. Amruta Suresh Karande**

Age: 34 years, Occu: Lawyer,

R/o: do

D) **Ms. Omkar Suresh Karande**

Age: 32 years, Occu: Service,

R/o: do

..... Applicant (Original Opponent No.1 to 4)

V/S.

Shri. Balasaheb Ganpatrao Karande,

Age: 78 years, Occu: Business,

R/O: 27, Kh/2C, E ward, Opposite

Circuit House, Tarabai Park, Kolhapur

..... Opponent (Original Claimant)

**This is an application U/Sec. 36(2) of
The Arbitration & Conciliation Act
for staying the execution and
operation of the award passed in
Arbitration Petition No. 74/2021,
dated 28/08/2025 passed by the sole
arbitrator.**

**Herein the stay application of the applicants above named is as
follows,**

1. The opponent is the claimant in the arbitration proceeding. Before the learned arbitrator, the present applicants were respondents no.1 to 4.

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The original claimant contended that he is the partner of the registered partnership firm, M/s Central Printers (present applicant no.1, original opponent no.1). The claimant further contended that the respondent no. 1 firm was doing huge business but the claimant was not given his share of profits. Therefore in the arbitration proceeding the claimant prayed for the dissolution of Respondent No. 1 firm & taking of the accounts & to pay ¼ th share to him. Other consequential reliefs such as interest @ 18 % from 1/02/1985 till the dissolution of the firm were also prayed. It was also claimed that claimant has 25% share & ownership in the immovable & movable assets of the firm & other businesses. A prayer was made to ascertain the value of 25% share of the claimant in movable & immovable assets through the qualified valuer. A prayer was also made to appoint a qualified C.A. & also a property valuer to investigate the accounts of the original Opponent no. 1 firm.

2. Original Opponents No.1, 3 & 4 filed their detailed W.S. dated 10/09/2024. Similarly the original Opponent No. 2 filed a separate W.S. on the same date 10/09/2024. On the basis of the claim statement & the W.S. filed, the Learned Arbitrator framed 9 issues initially & thereafter 2 additional issues & ultimately passed the award in question.

3. Original Opponent. No. 1 firm was initially started by Ganpatrao Balwantrao Karande by taking claimant, Original Opponents 2, 3, 4, & Ramesh Ganpatrao Karande, Rajendra Bhagwanrao Karande. Thus initially in all there were 7 partners in the said Original Opponent No. 1 firm. The said firm started working from 01/02/1985 under the name &


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style M/s. Central Printers. Ganpatrao Karande, Rajendra Karande & Ramesh Karande retired from the Original Opponent No.1 firm w.e.f 01/06/1986. Thus after this initial retirement of 3 partners by submitting retirement letters only 4 partners remained in the firm viz. the claimant, Krushnrao Ganpatrao Karande, Vilas Ganpatrao Karande, & Suresh Ganpatrao Karande. Thereafter with effect from 01/04/1992 the claimant & Krishnrao Ganpatrao Karande retired as partners by submitting retirement letters. Thereafter in the Original Opponent No. 1 firm only 2 partners viz. Vilas Ganpatrao Karande & Suresh Ganpatrao Karande remained as the partners. Thereafter Suresh Ganpatrao Karande expired on 12/10/2021. Therefore the Original Opponent No. 1 firm by the force of legal provisions came to an end w.e.f. 12/10/2021. Therefore it was contended that the claimant ceased to be a partner w.e.f 01/04/1992 & hence he had no locus to ask for dissolution of the firm & its accounts. The claimant was paid every year the amount which was due to him as long he was partner in the firm.

4. The claimant who was signing both in Marathi & English languages had put his signature in both the languages. Claimant & Krishnrao Ganpatrao Karande had submitted the retirement letters at one & the same time. Krishnrao admits the said retirement letter & accepts the position that he had no concern with the Opp. No.1 firm w.e.f. 01/04/1992. However the claimant, with fraudulent intention denied his signature on the letter of retirement submitted by him to the firm. Therefore the opponents had filed an application for sending the


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signatures of the claimant for the opinion of the hand writing expert. However no orders were passed on that application by the arbitrator.

5. During the course of the arbitration proceeding the learned arbitrator appointed one Mr. Sasawade, the C.A. for investigating & taking the accounts. The said C.A. was not authorized to suo-moto appoint any other person for ascertaining the turnover, production capacity of printing machinery & the rates etc. without reference to any of the parties or to the arbitrator the C.A. appointed one consultant Gadwale & Gadwale to give his opinion regarding the turnover, rates etc. of the printing business. The said consultant secretly submitted his report to the C.A. the learned arbitrator accepted the said report in its entirety ignoring the fact that the appointment of said consultants by the C.A. on his own was unauthorized & ultimately passed the award.

6. Being highly aggrieved & dissatisfied by the award dated 28/08/2025 passed by the learned sole arbitrator the Original Opponents beg to prefer this application to set aside the said award on the following grounds of objections which are without prejudice to each other.

a) The arbitration award in question is against law procedure & facts of the case. The learned arbitrator should have seen that the claimant had submitted a retirement letter & as such he ceased to be a partner of Original Opponent No.1 firm w.e.f. 01/04/1992. The conduct of the claimant after 01/04/1992 clearly shows that he had accepted the position that he ceased to be a partner of the firm. The status & legal


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relationships as a partner cannot be forced upon the claimant merely on the technical ground that the intimation of retirement was not given to the registrar of the firms.

b) *The learned arbitrator should have seen that the fact of retirement of the claimant & Krishnrao was notified by publishing a public notice in the daily newspaper Krantisinha having sufficient circulation. No objection was taken either by the claimant or Krishnrao to the said public notice, though they had knowledge of the said publication.*

c) *The learned arbitrator has completely misinterpreted the provisions of law contained in sec.68 of the Indian Partnership Act. That section is not a substantive section. On the basis of that section a partner who has retired & accepted that position cannot turned round & say that he is still a partner after laps of 30 years.*

d) *The learned arbitrator should have seen that before 01/04/1992 in the income-tax returns of the firm, Claimant's share of profit was shown. On the basis of these returns of the firm the claimant was filing his own individual returns before 01/04/1992 showing the said income in his individual returns. After 01/04/1992 in the returns of the firm no income was shown towards the share of profit of the claimant. Similarly in the individual returns filed by the claimant he did not show in his income-tax returns any amount received by him as the partner of the firm. On the contrary his income-tax returns showed the income which he derived from his other businesses.*


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e) The learned arbitrator should have seen that only Suresh Ganpatrao Karande & Vilas Ganpatrao Karande were the only active partners of the firm & the claimant in fact & in law never took any active part in the working of the firm. Krishnarao was also never an active partner is the original opponent no.1 firm.

f) The learned arbitrator should have seen that the C.A. has in unequivocal terms has opined that Vilas & Suresh were the only active partners of the firm since its beginning. The original partnership deed as also the reconstituted partnership deed clearly testifies to this position. However the claimant in his claim petition falsely mentioned as the person representing the firm when in fact he had ceased to be a partner w.e.f. 01/04/1992. Krishnarao had admitted & accepted this position.

g) The learned arbitrator completely ignored the provisions of Indian Partnership Act, Contract Act & The Benami Transaction Prohibition Act resulting in grave injustice to the present applicant.

h) The learned arbitrator has not properly considered the effect of the principle of estoppel by conduct & record.

i) The learned arbitrator should have seen that the business of printing was a very modest business run in the small tenanted premises & it was not yielding any large income. It should have been seen that continuously for many years the firm was submitting income-tax returns, trading profit & loss accounts & balance sheets, which clearly showed the extent of business of the firm & the profits of the firm. When such authentic information was placed on record, it was wrong on the


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part of arbitrator to keep aside that reliable evidence & hunt for imaginary turnover, imaginary rates, imaginary production capacity & imaginary profits. The award cannot be based on such unrealistic & imaginary figures to saddle the opponents with liability. The learned arbitrator was wrong in accepting that a modest printing business yields a profit of 40% of the turnover. This imaginary calculation of profit is baseless, whimsical & unrealistic leading to great injustice. In a press in Kolhapur the main printing work for the type of printing press involved in this case consists of the printing of handbills, marriage invitation cards, visiting cards, receipt books, bill books. The profit in such business is not more than 10% of the turnover. The imaginary calculations have resulted in miscarriage of justice.

j) The person who is examined for & on behalf of Gadwale & Gadwale consultancy had no personal knowledge regarding the manner in which the printing business is actually carried on. He was engaged in production of machinery required for printing. He had no concern & knowledge with the actual working of the printing machines. He was appointed unilaterally & arbitrarily without consulting any of the parties or the arbitrator. This action of the appointed C.A. was beyond his powers. The arbitrator was wrong in relying upon the evidence of such witness regarding actual working hours in a year, the stoppage of work due to break downs, repairs, due to scarcity of work available, non-availability of printing material, failure of electricity, time spent in changing & cleaning plates & rollers, non-availability of workers & rates for different items etc. The opponents had adduced the evidence of


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the persons who are actually running the printing press & labour work in Kolhapur on the above mentioned points. The learned arbitrator erred in excluding the said evidence which was quite reliable & acceptable.

k) The learned arbitrator should have seen that the period of investigation from the year 1985 to 2017, was covering the period of almost 32 years. No law expects a small trader to preserve the records for such a long period. Even under the Income-Tax Law a trader is required to preserve the records only for past 6 to 7 years. Under these circumstances C.A. was completely wrong in observing that the opponents have not produced the requisite record in the proceeding. In fact the opponents honestly & with due diligence had produced all the record that was available with them. They had also made efforts to approach the banks to make available records of the firm. In fact the C.A. was authorized by the learned arbitrator to approach different banks, financial institutions & all other authorities such as Income-tax department, Sales-tax department, MSEB etc. The powers given to the C.A. by the learned arbitrator were not exercised by him. The opponents in order to facilitate the work of C.A. had produced on record the Aadhar Cards, Pan cards, Ration Cards, Income tax user ID & password, electricity bills, available income tax returns etc. on record. The C.A. did not ask the claimant to produce the documents from his side.

l) The learned arbitrator should have seen the dishonest & greedy attitude of the claimant to illegally grab the properties & businesses of the family members. The learned arbitrator refused to give any relief to


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claimant on such fabricated claims regarding properties and businesses of the opponents and the other members of the family as such claims were untenable and dishonest. However it was wrong on the part of the arbitrator to ignore this conduct of the claimant in deciding the claim of the claimant which is granted to him illegally.

m) The learned arbitrator was completely wrong in blindly accepting the report of C.A. & Gadwale & Gadwale in its entirety.

n) The learned arbitrator should have seen that the suit was one for *dissolution of the firm & for accounts for dissolved firm*. In such cases the proper course was to decide first whether firm is required to be dissolved & then pass a preliminary decree for accounts of the firm.

o) The learned arbitrator should have specified in the operative part of the award as to what is the amount due by the Original Opponents to the claimant, if any. The learned arbitrator should also have mentioned the costs which are required to be paid to the claimant. The learned arbitrator was wrong in imposing 8.5% interest on the alleged amount of cost. Therefore the award suffers from *basic infirmities regarding the amount to be paid by the opponents to the claimant*.

p) The learned arbitrator was wrong in collecting the stamp papers worth Rs. 1,04,200/- on 24/11/2025 behind the back of the opponents & without any intimation to them. The bald certificate for having collected the stamps was given to the opponents on 24/11/2025. It is not mentioned in the said certificate how the calculation regarding the stamp


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of Rs 1,04,200/- was made & the basis of the alleged calculation. The certificate also doesn't disclose the amount which is directed to be paid by the opponents. These infirmities go to the root of the case.

q) The learned arbitrator was wrong in saddling the entire costs on the opponents when in fact the entire claim of the claimant was not allowed. At the most proportional costs can be awarded.

r) The learned arbitrator was wrong in allowing the application of the claimant for appointment of C.A. at the initial stage without deciding the liability of the opponents & entitlement of claimant.

s) In various interim orders the learned arbitrator made wrong & unfounded allegations against the opponents to the effect that the opponents are trying to prolong the proceedings. It appears that the learned arbitrator was wrong in having such prejudices against the opponents.

t) The learned arbitrator was wrong in rejecting the application of the opponents under Sec. 12 & 13 of The Arbitration Act. The learned arbitrator was prejudiced against the opponents for filing such an application.

u) The appointed C.A. had carried out the spot inspection of the premises where the business of opponent no. 1 & premises of Central printing press were conducted. The notes of the said inspection were prepared by the C.A. The videography of inspection was also taken as directed by C.A and provided to C.A. in the pen drive. The premises


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where Original Opponent no.1 was doing business once upon a time was in a dilapidated condition, full of dust & cobwebs. The premises of Central Printing Press were also very small & inconvenient. No any big business could be run in such premises. The C.A. has not uttered a signal word regarding inspection of these premises in his report.

v) The learned arbitrator has not properly considered the oral & documentary evidence placed on record by the original opponents. No sufficient opportunity was given to the opponents to present their case & adduce evidence.

w) The opponents have produced available electricity bills to ascertain the actual consumption of electric energy from which it was possible to find out the actual working period for the firm. The balance sheets on record showed actual yearly consumption of electricity. The documents on record also showed the actual profit of Original Opponent no. 1 firm. It was wrong to ignore all this reliable evidence

x) The learned arbitrator has accepted the actual profit from the year 1985 up to the year 1992 as per the income tax returns & balance sheets. As such there is no reason to discard this evidence regarding the actual profit for the subsequent years.

y) The learned arbitrator should have considered the severe tax implications for both the parties in discarding the actual profit shown in income tax returns & balance sheets & awarding some Imaginary profits to the claimant.


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for filing this application starts from 28/11/2025 as there was no question of filing application for setting aside the award which is unenforceable.

ff) The applicants have given notice of filing of this application to the opponent as per the Sec. 34 of Arbitration & Conciliation Act 1996 and accordingly the affidavit is filed.

gg) The certificate dated 24/11/2025 given to the opponents on 28/11/2025 without any details mentions that the stamp papers worth Rs. 1,04,200/- is accepted by the arbitrator for the award & the said amount is paid for the entire award passed. Therefore under article 3(A) of schedule I of the Maharashtra Stamp Act the court fee stamp of Rs. 52100/- is paid on this application.

hh) The seat of arbitration was Kolhapur. The parties to the arbitration are resident of Kolhapur. The entire arbitration proceeding including the declaration of award & issuance of certificate was done at Kolhapur. Therefore this Hon`ble Court has jurisdiction to entertain & decide this application.

ii) The award does not mention the amount awarded and the cost imposed. The amount is likely to be huge one. In fact as the claimant ceased to be partner with effect from 01/04/1992 he had no locus to file the proceeding. The amounts calculated regarding turnover and profit are imaginary. The applicants have a good prima facie case. The balance of convenience is in favour of applicants. If stay is not granted the


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applicants will suffer irreparable loss. The business of the firm was very modest. Hence the applicants will not be able to pay huge amount. The claim is also not in limitation. Therefore in the interest of justice good conscience it is necessary to stay the award. No harm will be caused to the opponent if stay is granted.

jj) No notice of any caveat filed by the opponent is received to the applicants.

kk) Therefore it is prayed that, the execution and operation of the arbitral award dated 28/08/2025 passed by the sole arbitrator in arbitration petition no.74/2021, be stayed till pending hearing and the final disposal of this application for the grounds mentioned in this application & for those that will be urged at the time of hearing of this application.

Kolhapur

Date: 29/11/2025

1 V. C. He
 2 K. G. Karank
 3 V. C. He
 4a Sai. K. Skrande
 4b P. S. S. S. S.
 4c S. S. S.
 4d S. S. S.


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VERIFICATION

We the applicants do state on verification that contents mentioned in paras 1 to 5 & a to kk are true & correct to the best of our knowledge & belief & we believe them to be true & correct.

Verified at Kolhapur on 29/11/2025.

1. V. C. Karande
 2. K. S. Karande
 3. V. C. Karande
 4a. Sat. K. Karande
 4b. P. S. Karande
 4c. S. S. Karande
 4d. S. S. Karande

AFFIDAVIT

I, Shri. Vilas Karande, Son of Ganpatrao Karande, Age: 74 years, Occu- Business, R/o.27, Kh/2k, E ward, Opposite Circuit House, Tarabai Park, Kolhapur do solemnly affirmed that the contents mentioned in above application & verification are true & correct to the best of my knowledge & belief.

Solemnly affirmed at Kolhapur on 29 /11/2025.

I know the deponent

F. R. Patil
 Adv. F. R. Patil

V. C. Karande
 Vilas Ganpatrao Karande

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VERIFICATION

We the applicants do state on verification that contents mentioned in affidavit are true & correct to the best of our knowledge & belief & we believe them to be true & correct.

Verified at Kolhapur on 29/11/2025.

V. G. K.

Solemnly affirmed before me by
 Shri./Smt. Vilas Ganpatrao Karande
 Age 75 Occp. Business of Kolhapur
 who is identified by Shri. P. R. Patil
Adv. whom I know Personally
 Dt. 29/11/2025

B

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