

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD**R/SPECIAL CIVIL APPLICATION NO. 6129 of 2026****With****R/SPECIAL CIVIL APPLICATION NO. 6864 of 2026**

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M/S. MEHSANA MARKETING & ORS.**Versus****VIPULBHAI NAVINBHAI PATEL**

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Appearance:**DIVYESH D BAIS(7324) for the Petitioner(s) No. 1,2,3,4****MR NIRAD D BUCH(4000) for the Petitioner(s) No. 1,2,3,4****MR ADITYA S PATEL(12087) for the Respondent(s) No. 1**

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CORAM: HONOURABLE MR. JUSTICE NIKHIL S. KARIEL**Date : 01/07/2026****ORAL ORDER**

1. Heard learned advocate Mr.Nirad Buch with learned advocate Mr.D.D.Bais appearing on behalf of the petitioners and learned advocate Mr.Aditya Patel with learned advocate Mr.Deep Nakhrani appearing on behalf of the respondent no.1.

2. By way of these petitions, the petitioners challenge a common order passed by the learned Arbitrator in Arbitration Case No.58/2025.

2.1. It appears in this regard that the respondent no.1 is the claimant before the learned Arbitrator, whereas, the petitioners herein are the respondents before the learned

Arbitrator and whereas, in addition to filing statement of defence, the respondents have also raised a counter claim of their own. Parties would be addressed hereinafter as per their original status before the learned Arbitrator.

2.2. It would appear that both the claimant and the respondents have preferred separate applications namely application dated 27.10.2025 by the claimant and application dated 31.01.2026 by the respondents for production of documents and whereas, vide the common impugned order, the learned Arbitrator had partly rejected the application filed by the respondent, whereas the application by the plaintiff had been allowed, aggrieved by both, the respondent before the learned Arbitrator has approached this Court by these petitions.

2.3. Special Civil Application No.6129/2026 is challenging the order insofar as it allows the application preferred by the claimant and Special Civil Application No.6864/2026 insofar as the impugned order partly rejects the application preferred by the respondent before the learned Arbitrator.

2.4. It requires to be mentioned at this stage that while the

learned Arbitrator had allowed the application preferred by the applicant before the learned Arbitrator in its entirety, whereas, insofar as the application preferred by the respondent is concerned, that has been partly allowed. It also requires to be observed at this stage that the dispute insofar as the order as far as it allows the application preferred by the applicant before the learned Arbitrator is restricted to documents which are to be produced i.e. documents no.2, 3 and 10 i.e. item 3(b) of the order in question, whereas, it appears to this Court that items no.1, 4, 5 to 9 are related to the respondent no.1 firm before the learned Arbitrator and whereas, there is no dispute as regards the said documents is concerned.

2.5. Insofar as the application of the respondent is concerned, the learned Arbitrator had rejected the same insofar as the documents no.1 to 6, 10, 11, 14 are concerned as well as document no.9 is concerned and whereas, it is informed by learned advocate Mr.Patel for the claimant that the documents no.7, 8, 12, 13 and 15 which had been directed to be produced by the learned Arbitrator, had already been placed on record.

3. Heard learned advocate Mr.Nirad Buch with learned advocate Mr.D.D.Bais appearing on behalf of the petitioners who would submit that insofar as the documents sought for by the original claimant, items no.2, 3 and 10 are in relation to the respondent no.1 firm, which is a partnership firm consisting of respondents no.2, 3 and 4 as the partners. It is submitted that the original claimant was also a partner in the said firm and whereas, the documents sought for are after a period when the original claimant was no longer a partner in the firm in question. In any case, learned advocate Mr.Buch would submit that the said documents are with regard to the relationship between the respondent no.1 firm and a company whose dealership the respondent no.1 firm had and whereas, there are no specific averments as regards the relevance of such documents in deciding the claim put forth by the original claimant.

3.1. Learned advocate Mr.Buch, insofar as the application for production of documents preferred by the respondent before the learned Arbitrator is concerned, would submit that the documents at items no.1 to 6, 10, 11 and 14 are concerned, are with regard to a firm named M/s. Siddhi Vinayak

Enterprise. Learned advocate would draw the attention of this Court to the pleading in the statement of claim and whereas, learned advocate would submit that the allegation made by the respondents in their counter claim before the learned Arbitrator being that the original claimant had floated a new firm namely M/s. Siddhi Vinayak Enterprise and whereas, he had diverted goods from the respondent no.1 firm to the said firm. Learned advocate would submit that considering the averments made in the statement of claim, the documents which were sought for by the respondent before the learned Arbitral Tribunal were relevant for deciding the dispute in question and hence, the learned Arbitrator ought not to have rejected production of such documents.

3.2. Learned advocate would further submit that insofar as the document at item no.10, the same was with regard to one Gajanand Pharmacy, which was also a sole propitiatory concerned of the original claimant and whereas, learned advocate has drawn the attention of this Court to pleadings in that regard. Learned advocate would thus submit that in view of appropriate pleadings insofar as the documents relating to M/s. Siddhi Vinayak Enterprise and M/s. Gajanand Pharmacy,

the learned Arbitral Tribunal had committed an error in not calling for production of the said documents.

4. As against the same, the present application is vehemently opposed by learned advocate Mr.Aditya Patel with learned advocate Mr.Deep Nakhrani on behalf of the original claimant.

4.1. Learned advocate would submit that documents no.2, 3 and 10 of the claimant's application were relevant for deciding the issue since the same were, to point out before this Court, the allegation of diversion of goods by the claimant to M/s. Siddhi Vinayak Enterprise was a normal market practice which was being done by the respondents before the learned Tribunal themselves.

4.2. Learned advocate would further submit that insofar as the documents sought for by the respondents i.e. documents no.1 to 6, 10, 11, 14 were sought for by a firm named M/s. Siddhi Vinayak Enterprise. Learned advocate would submit that the firm is owned by one Mrs.Karishma Vipul Patel who happens to be the wife of the claimant. Learned advocate would submit that neither the firm nor Mrs.Karishma Vipul

Patel were joined as parties to the arbitration. Learned advocate would submit that under such circumstances, the claimant could not be directed to produce documents of such firm merely because he was husband of Mrs.Karishma Vipul Patel. Learned advocate would submit that the company in question and Mrs.Karishma Vipul Patel being two separate legal entities, the claimant could not be forced to produce documents of such entity.

4.3. Insofar as the document at item no.9 is concerned with relation to one M/s. Gajanand Pharmacy, learned advocate would submit that there is nothing on record to show that the respondent before the learned Arbitrator had alleged that goods or material were diverted to the said company in question. Learned advocate would submit that under such circumstances, the decision of the learned Arbitrator insofar as the items no.2, 3 and 10 with regard to the application preferred by the claimant and items no.1 to 6, 10, 11, 14 and item no. 9 with regard to the application preferred by the respondent could not be faulted with. Learned advocate, based upon such submission, would request this Court to reject both these petitions.

5. Heard learned Counsels for the respective parties and perused the documents on record.

5.1. While it is a trite law that Courts exercising jurisdiction under Article 227 of the Constitution of India ought not to normally interject in arbitration proceedings, yet, to this Court, it would appear that the present would be a very limited intervention just to aid the arbitration proceedings and not to derail the same. To this Court, it would appear that certain documents which have been sought for by either parties are not relevant to the proceedings at all and whereas, while this Court seeks to modify the order passed by the learned Arbitrator in a minor way, what is intended by this Court is also to put its imprimatur on the order in question so that the issue attains a finality at least insofar as the jurisdiction under Article 227 of the Constitution of India is concerned.

5.2. Insofar as the application preferred by the present respondent, it would appear that the learned Arbitrator had rejected the application qua documents no.1 to 6, 10, 11 and 14 which were related to one M/s. Siddhi Vinayak Enterprise

and documents at item no.9 which was with relation to Gajanand Pharmacy. In this regard, it requires to be observed that the fact of the wife of the original plaintiff one Mrs. Karishma Vipul Patel being a sole proprietor of M/s. Siddhi Vinayak Enterprise is not disputed by the respondents before the learned Arbitrator - petitioners before this Court. It is also not in dispute that neither Mrs. Karishma Vipul Patel nor M/s. Siddhi Vinayak Enterprise are parties to the arbitration process. Thus, it would appear that while documents have been sought for from an individual who is closely related to the original plaintiff, yet, in the eyes of law, the said individual and the firm managed by her are distinct legal entities and whereas, the original plaintiff could not be compelled to produce documents which were with regard to the said distinct legal entities. Furthermore, even otherwise, documents with regard to a party who is not part of a legal process, would not generally be called for unless some extenuating circumstance exist. Thus, the decision by the learned Arbitrator on the said count could not be faulted.

5.3. Insofar as item no.9 of the application preferred by the respondent, to this Court, it would appear that while the

respondent in his counter claim has referred to the same as a company which has been opened by the claimant, yet, the statement of claim does not make out any case as regards either diversion of the goods or short-selling to the said company in question. Thus, to this Court, it would appear that since the said firm was named in the statement of claim without any underlying allegations against such firm, therefore, there was no requirement to produce document no.9, more particularly, since the said document was with regard to audit reports of the said company from the year 2018-19 to 2024-25.

5.4. Insofar as the application preferred by the claimant before the learned Arbitral Tribunal that the documents at item no.2, 3 and 10 are with regard to the respondent no.1 firm. It would appear upon perusal of the application that documents at item no.2, 3 and 10 are with regard to the dealings of the respondent no.1 with a company named one M/s. J. K. Laxmi Cement. This Court has also perused the statement of claim of the present applicant and whereas, it has been observed by this Court that the present applicant has quantified the amount which he claims from the

respondents.

5.5. This Court has also noticed the submission made by learned advocate Mr. Patel that the documents were required to show that what was being alleged by the respondents against the claimant as regards diversion or short-selling of the goods, was a normal market practice which was a routine course being undertaken by the respondents themselves. To this Court, it would appear that while the respondents in their counter claim have made an application against claimant as regards diversion and a possible short-selling, yet, to this Court, it would appear that the original claimant, while he may choose to defend himself by saying that the course undertaken by him was not causing any loss to the respondent no.1 partnership firm of which he was a partner, yet, there is nothing on record to show that the claimant is required to establish that the respondent was also undertaking the very practice. It also appears to this Court that as such, the allegation with regard to short-selling and with regard to diversion were with regard to a firm named M/s. Siddhi Vinayak Enterprise. It is also the opinion of this Court that since the said firm is a distinct legal entity, which is owned by

the wife of the claimant as a sole proprietor, who also is a distinct legal entity than the claimant, therefore, the submission of learned advocate Mr.Patel requires to be accepted and whereas, the observation of the learned Arbitrator could not be faulted with.

5.6. It would also appear to this Court that since this Court has taken such a view hereinabove as regards M/s.Siddhi Vinayak Enterprise, therefore, there would be no relevance of the submissions made by learned advocate Mr.Patel insofar as documents at item no.2, 3 and 10 since there is no requirement left for the original claimant to try and meet with any allegations by the respondents with regard to M/s.Siddhi Vinayak Enterprise.

5.7. Having regard to the above observations, to this Court, it would appear that order of the learned Arbitrator is required to be interfered only with regard to item 3(b) i.e. documents at item no.2, 3 and 10 of the application preferred by the claimant and whereas, rest of the order does not require any interference.

6. Having regard to be above, to this Court, the following

directions would meet with the ends of justice:-

Order dated 10.03.2026 passed by the learned Arbitrator under an application preferred by the claimant as well as respondent in Arbitration Case No.58/2025 is interfered to the limited extent of setting aside paragraph no.3(b) of the order in question i.e. with regard to items no.2, 3 and 10 of the documents sought for by the claimant. There is no interference with regard to rest of the order.

7. The present petitions stand disposed of inasmuch as Special Civil Application No.6129/2026 is partly allowed, whereas, Special Civil Application No.6864/2026 stands rejected.

Bhoomi

(NIKHIL S. KARIEL,J)