

**HIGH COURT OF ANDHRA PRADESH****Bench: Chief Justice Dhiraj Singh Thakur and Justice A.V. Sessa Sai****Date of Decision: 10<sup>th</sup> May 2024**

Arbitration Application Nos. 57, 59 &amp; 60 of 2023

Arbitration Application No. 57 of 2023

With

Arbitration Application Nos. 59 &amp; 60 of 2023

**Dr. V. V. Subbarao ... Applicant****Versus****Dr. Appa Rao Mukkamala ... Respondents****Legislation:**

Section 2, 11, 29A, 2(1) of the Arbitration and Conciliation Act, 1996

Section 23 of the Andhra Pradesh Societies Registration Act, 2001

Section 8 of the Bombay Sales Tax Act

**Subject:** Arbitration applications seeking extension of the mandate of the arbitral tribunal under Section 29A of the Arbitration and Conciliation Act, 1996, arising from disputes within the NRI Academy of Sciences Society.**Headnotes:**

Arbitration Law – Jurisdiction under Section 29A of Arbitration and Conciliation Act, 1996 – High Court’s jurisdiction to entertain applications for extension of mandate of arbitral tribunal – Applications under Section 29A seeking extension of time to pass award filed before High Court – Preliminary objection raised by non-applicants regarding maintainability before High Court instead of Principal Civil Court of original jurisdiction in district – High Court’s interpretation of “Court” as per Section 2(1)(e) of the Act – Held: High Court not vested with original jurisdiction under Section 2(1)(e) for domestic arbitration cases where arbitral tribunal not appointed by High Court or Supreme Court – Applications dismissed with liberty to approach appropriate forum [Paras 1-36].

Jurisdiction – Interpretation of “Court” under Arbitration and Conciliation Act, 1996 – Section 29A application for extension of mandate of arbitral tribunal – Analysis of case law: *M/s. K.V. Ramana Reddy vs. Rashtriya Ispat Nigam Limited*, *Nilesh Ramanabhai Patel vs. Bhanubhai Ramanabhai Patel*, *Cabra Instalaciones Y. Servicios vs. Maharashtra State Electricity Distribution Company Limited*, *DDA vs. M/s. Tara Chand Sumit Construction Co.*, *M/s. URC Construction (Private) Ltd. vs. M/s. BEML Ltd.* – Emphasis on High Court’s and Supreme Court’s role in appointing arbitrators under Section 11 – High Court’s jurisdiction to extend mandate only when it initially appointed arbitrator under Section 11 – Definition of “Court” in Section 2(1)(e) is binding unless context otherwise requires [Paras 7-34].

Decision – Dismissal of Arbitration Applications – Held – High Court lacks jurisdiction to entertain applications under Section 29A in domestic arbitration cases where it did not appoint the arbitral tribunal – Applications dismissed with no order as to costs – Applicants advised to approach appropriate forum [Paras 35-36].

### **Referred Cases:**

- *M/s. K. V. Ramana Reddy vs. Rasthriya Ispat Nigam Limited* (2023) SCC OnLine AP 398

- Nilesh Ramanabhai Patel vs. Bhanubhai Ramanabhai Patel, MANU/GJ/1549/2018
- Cabra Instalaciones Y. Servicios vs. Maharashtra State Electricity Distribution Company Limited, 2019 SCC OnLine Bom 1437
- DDA vs. M/s. Tara Chand Sumit Construction Co., 2020 SCC OnLine Del 2501
- M/s. URC Construction (private) Ltd., vs. M/s. BEML Ltd., 2017 SCC OnLine Ker 20520
- Magnum Opus IT Consulting Private Limited vs. Artcad Systems, 2022 SCC OnLine Bom 2861
- Indicus Software Private Limited vs. Infinite Uptime India Private Limited, 2023 SCC OnLine Bom 2880
- National Aluminium Co. Ltd. V. Pressteel & Fabrications (P) Ltd., (2004) 1 SCC 540
- State of Goa v. Western Builders, (2006) 6 SCC 239
- State of West Bengal v. Associated Contractors, (2015) 1 SCC 32
- Garhwal Mandal Vikas Nigam Ltd. v. Krishna Travel Agency (2008) 6 SCC 741
- National Aluminium Co. Ltd. v. Pressteel & Fabrications (P) Ltd [(2004) 1 SCC 540]
- State of Goa v. Western Builders [(2006) 6 SCC 239]
- State of West Bengal v. Associated Contractors (2015) 1 SCC 32
- CST v. Union Medical Agency (1981) 1 SCC 51
- CIT v. Ahmedabad Urban Development Authority (2023) 4 SCC 561

### **Representing Advocates:**

Mr. B. Adinarayana Rao, Senior Counsel, appearing for Mr. Mandava Abhigna, Counsel for the petitioner.

Mr. O. Manohar Reddy, Senior Counsel, Mr. Pramod Nair, Senior Counsel, appearing for Mr. M. V. J. K. Kumar, learned counsel for the respondents.

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**DATE :10.05.2024**

**Per DHIRAJ SINGH THAKUR, CJ :**

These applications have been filed under Section 29A of the Arbitration and Conciliation Act, 1996 (hereinafter called as „the Act“) seeking extension of the mandate of the arbitral tribunal for passing an Award.

2. Facts in brief:

NRI Academy of Sciences is a Society registered under the Andhra Pradesh Societies Registration Act, 2001. The said Society runs a medical college and nursing homes. Disputes arose with regard to the management of the NRI Academy of Sciences (for short, „NRIAS“). By virtue of order, dated 22.02.2022 passed in W.A. No.234 of 2020 and other connected matters, disputes were referred for adjudication by an arbitral tribunal comprising of Justice Devinder Gupta as the sole Arbitrator, in view of Section 23 of the Andhra Pradesh Societies Registration Act, 2001, which envisages that in the event of any disputes arising amongst the members of the Society, in respect of any matter relating to the affairs of the Society, any member of the Society may proceed with the dispute under the provisions of the Arbitration and Conciliation Act, 1996.

3. A preliminary objection has been raised by the non-applicants regarding the maintainability of the applications under Section 29A of the Act before this Court. According to the non-applicants, the application under Section 29A ought to have been filed before the Principal Civil Court of original jurisdiction in the District and not before this Court, which does not have any original jurisdiction.
4. The issue that falls for consideration is whether the present applications seeking extension of the mandate of the arbitral tribunal under Section 29A are maintainable before the High Court or not.
5. Section 29A prescribes the time limit for arbitral awards.
  - 5.1. Sub-section 1 of Section 29A envisages that an award in matters other than the international commercial matters shall be made by the arbitral tribunal within a period of twelve months from the date of completion of pleadings under sub-section 4 of Section 23.
  - 5.2. Sub-section 3 of Section 29A of the Act further envisages extension in the period for making of the award not exceeding six months with the consent of the parties.

5.3. Sub-section 4 of Section 29A of the Act envisages termination of the mandate of the arbitrators unless „the Court“, either prior to or after expiry of the period so specified extends the period for making the award.

5.4. Sub-section 6 of the Section 29A further envisages that while extending the period under Sub-section 4, it would be open to the Court to substitute one or all of the arbitrators.

6. The term Court is defined in Section 2 (1) (e) of the Act as under:

“(e). “Court” means -

(i) in the case of an arbitration other than international commercial arbitration, the principal Civil Court of original jurisdiction in a district, and includes the High Court in exercise of its ordinary original civil jurisdiction, having jurisdiction to decide the questions forming the subject-matter of the arbitration if the same had been the subjectmatter of a suit, but does not include any Civil Court of a grade inferior to such principal Civil Court, or any Court of Small Causes;

(ii) in the case of international commercial arbitration, the High Court in exercise of its ordinary original civil jurisdiction, having jurisdiction to decide the questions forming the subject- matter of the arbitration if the same had been the subject-matter of a suit, and in other cases, a High Court having jurisdiction to hear appeals from decrees of courts subordinate to that High Court;”

7. The basis for the applicants to file the present applications before this Court for seeking extension under Section 29A lies in the judgment and order rendered by a single Bench of this Court in the case of **M/s. K. V. Ramana Reddy vs. Rasthriya Ispat Nigam Limited**. This was a case where the arbitral tribunal was constituted by the High Court. The arbitral

tribunal entered upon the reference but could not complete the proceedings even during the extended period. An application therefore came to be filed under Section 29A of the Act seeking extension of time before the commercial Court. The said application was allowed and time was extended. Thereafter, another application came to be filed seeking further extension wherein an objection was raised before the commercial Court that time could be extended only by the High Court and that the application was not maintainable before the commercial Court. The commercial Court however took a view that the application was maintainable and extended the time for making the award.

8. It was in those circumstances that the applicant therein moved the Court, which went into the question as to whether the application under Section 29A was maintainable before the commercial Court or not. The Court in paragraph 5 of the judgment, among others placed reliance upon **Nilesh Ramanabhai Patel vs. Bhanubhai Ramanabhai Patel, Cabra Instalaciones Y. Servicios vs. Maharashtra State Electricity Distribution Company Limited, DDA vs. M/s. Tara Chand Sumit Construction Co., M/s. URC Construction (private) Ltd., vs. M/s. BEML Ltd.**, and held that an application under Section 29A could be moved only before the Court „having authority under Section 11 of the Act“.

9. Since the basis of conclusions arrived at in the case of **M/s.K.V.Ramana Reddy** rests in the view already expressed by other High Courts on the subject, it would be worthwhile to briefly refer to some of those judgments, which were so relied upon.
10. In **Nilesh Ramanabhai Patel (supra)**, the Gujarat High Court was considering a case where the arbitrator having been appointed by the High Court, the arbitral proceedings could not be completed even within the agreed extended time, where after an application under Section 29A came to be filed before the High Court seeking extension for passing the Award. Objections were raised to the maintainability of the said application before the High Court on the premise that it was only the Court defined under Section 2 (1) (e) of the Act, which would entertain such an application i.e., a Principal Civil Court of original jurisdiction in a district, it was in those circumstances that the court held:

*“15. ...It is inconceivable that the Legislature would vest the power in the Principal Civil Judge to substitute an arbitrator who may have been appointed by the High Court or Supreme Court. Even otherwise, it would be wholly impermissible since the powers for appointment of an arbitrator when the situation so arises, vest in the High Court or the Supreme Court as the case may be in terms of sub-secs. (4), (5) and (6) of Sec. 11 of the Act. If therefore, there is a case for extension of the term of an arbitrator who has been by the High Court or Supreme Court and if the contention of Shri Mehta that such an application would lie only before the Principal Civil Court is upheld, powers under sub-sec. (6) of Sec. 29A would be non- operatable. In*



*such a situation, sub-sec. (6) of Sec. 29A would be rendered otiose. The powers under sub-sec. (6) of Sec. 29A are of considerable significance. The powers for extending the mandate of an arbitrator are coupled with the power to substitute an arbitrator. These powers of substitution of an arbitrator are thus concomitant to the principal powers for granting an extension. If for valid reasons the Court finds that it is a fit case for extending the mandate of the arbitrator but that by itself may not be sufficient to bring about an early end to the arbitral proceedings, the Court may also consider substituting the existing arbitrator. It would be wholly incumbent to hold that under sub-sec. (6) of Sec. 29-A the legislature has vested powers in the Civil Court to make appointment of arbitrators by substituting an arbitrator or the whole panel of arbitrators appointed by the High Court under Sec. 11 of the Act. If we, therefore, accept this contention of Shri Mehta, it would lead to the irreconcilable conflict between the power of the superior Courts to appoint arbitrators under Sec. 11 of the Act and those of the Civil Court to substitute such arbitrators under Sec. 29A (6). This conflict can be avoided only by understanding the term "Court" for the purpose of Sec. 29A as the Court which appointed the arbitrator in case of Court constituted Arbitral Tribunal.*

11. The Court in the case of **M/s K.V. Ramana Reddy** had placed reliance on **M/s.URC Construction (Private) Ltd vs. BEML Ltd (supra)** wherein the Court had dismissed the application under Section 29A, on the premise that the matter related to a domestic arbitration and since the Kerala High Court did not have civil original jurisdiction, it did not fall within the definition of a Court within the meaning of Section 2 (1) (e) of the Act.

12. The judgment of the Kerala High Court however does not reflect as to whether the appointment of the arbitrator was in accordance with the provisions of Section 11 of the Act by the High Court or was done in accordance with the terms and conditions of the Agreement entered into between the parties.
13. In **DDA vs. M/s Tara Chand Sumit Construction Co. (supra)**, the Delhi High Court followed the ratio of the judgment rendered by the Gujarat High Court in the case of **Nilesh Ramanabhai Patel** as also the Bombay High Court rendered in **Cabra Instalaciones Y. Servicios (supra)**.
14. In **Cabra Instalaciones Y. Servicios (supra)**, the Bombay High Court was considering an application filed under Section 29A for extension of the mandate of the arbitral tribunal pertaining to an international commercial arbitration in which the tribunal was constituted pursuant to the orders passed by the Supreme Court under Section 11 of the Act.
15. The question that arose before the Court in **Cabra Instalaciones Y. Servicios** was whether the High Court would have the jurisdiction to entertain the application when the tribunal was appointed by the Supreme Court in exercise of powers under Section 11 (5) of the Act being an International Commercial Arbitration. The Bombay high court in those circumstances in paragraph 8 held:

*“8. Thus, as in the present case once the arbitral tribunal was appointed by the Supreme Court exercising powers under Section 11(5) read with Section 11(9) of the Act, in my opinion, this Court lacks jurisdiction to pass any orders under Section 29A of the Act, considering the statutory scheme of Section 29A. It would only be the jurisdiction of the Supreme Court to pass orders on such application under Section 29A of the Act when the arbitration is an international commercial arbitration. The insistence on the part of the petitioner that considering the provisions of sub-section (4), the High Court would be the appropriate Court to extend the mandate of the arbitral tribunal under Section 29A, would not be a correct reading of Section 29A as the provision is required to be read in its entirety and in conjunction with Section 11(9) of the Act.”*

16. The Bombay High Court in a recent judgment in **Magnum Opus IT consulting Private Limited vs. Artcad Systems** distinguished the decision in **Cabra Instalaciones Y. Servicios (supra)**, **Nilesh Ramanabhai Patel(supra)**, **DDA vs. M/s. Tara Chand Sumit Construction Co. (supra)**, on the ground that in the case before it, the arbitrator was neither appointed under Section 11 of the Act nor substituted subsequently by the order of the High Court and that the High Court had only revived the arbitration proceedings, which were closed by the council under the provisions of the MSMED Act and therefore, upheld the order passed by the learned District Judge, Nashik under Section 29A of the Act.

17. In a recent judgment from the Bombay High court in the case of **Indicus Software Private Limited vs. Infinite Uptime India Private Limited** it has been reiterated that if the appointment of the arbitrator or arbitral tribunal was without intervention of the High Court or the Supreme Court as the case may be under Section 11 of the Act, the Principal Civil Court of original jurisdiction would have the power to entertain an application under Section 29A of the Act for seeking extension of the mandate of the arbitrator/arbitral tribunal.
18. In the backdrop of the aforementioned judgments, it appears that most of the judgments on which reliance had been placed by the Court in the case of **M/s K. V. Ramana Reddy** were cases where the initial appointment of the arbitrator had been made by the High Courts and it is in that context that the Courts proceeded to hold that an application under Section 29A could be moved only before the Court having authority under Section 11 of the Act of 1996 and consequently that it was only the High Court, or the Supreme Court, as the case may be, which made the reference, had the jurisdiction to exercise powers under Section 29A.

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19. In our opinion, the judgments upon which reliance was placed by the Court in the case of **M/s.K.V.Ramana Reddy**, did not lay down the principle that even in cases where reference to arbitration was not made through Court by invoking the provisions of Section 11, the application under Section 29A was maintainable even in such cases only before the High Court or the Supreme Court as the case may be.
20. It is one thing to say that in a given case an application under Section 29A would lie only to the High Court or the Supreme Court, as the case may be, which had passed the order of reference under Section 11 and entirely different thing to hold that an application under Section 29A would lie only before the Court having „authority“ under Section 11 of the Act, as was held in the case of **M/s.K.V.Ramana Reddy**, which in our opinion may not be a correct conclusion drawn because none of the judgments relied upon by the Court in the said judgment supported that view.
21. From the scheme of the Act and in particular Section 11, it can be seen that an Arbitrator can be appointed *inter alia* as per the agreed procedure by the parties for adjudication of the disputes, failing which, at the second stage any of the parties may approach the High Court, in a domestic arbitration, seeking appointment of an arbitral tribunal to adjudicate upon

the disputes. After the appointment of the arbitral tribunal, the Court becomes *functus officio*. Section 29A of the Act, on the other hand, primarily deals with the issue of termination of the mandate of the arbitral tribunal beyond the specified period, unless the mandate is extended by the „Court“ as defined under Section 2(1)(e) of the Act. Further, it also has the power to reduce the fee of the arbitrator or the arbitral tribunal in case it is found that the proceedings had been delayed for reasons attributable to the said tribunal.

22. Section 29A vests the „Court“ with the power to substitute one or all of the arbitrators while considering the issue of extension in the mandate of the arbitral tribunal. The power thus exercisable by a Principal Civil Court in a District, therefore, does not, in our opinion, impinge upon the powers of the High Court in a domestic arbitration or the powers of the Apex Court in international arbitrations to appoint an arbitrator, which powers are exercisable at a different stage.
23. In **Nimet Resources Inc**, the Apex Court was considering an application that had been filed invoking jurisdiction of the Court purportedly under Section 14 of the Act for terminating the mandate of the sole Arbitrator and for appointment of a substitute Arbitrator, as the sole Arbitrator had been appointed by the Apex Court. The Apex Court had appointed the sole Arbitrator based upon an application filed under Sub-section 5 and 6 of

Section 11 of the Act and the question that fell for consideration of the Court was whether such an application was at all maintainable before the Supreme Court. The Apex Court apart from holding that an application under Section 14(2) would be maintainable only before the Court that has been defined under Section 2(1)(e) of the Act i.e., before the Principal Civil Court or a High Court having original jurisdiction, held that once an Arbitrator was nominated under the Act, the Court did not retain any jurisdiction with it, as it becomes *functus officio*. The Apex Court held:

“18. Jurisdiction under Section 11(6) of the 1996 Act is used for a different purpose. The Chief Justice or his designate exercises a limited jurisdiction. It is not as broad as sub-section (4) of Section 20 of the 1940 Act. When an arbitrator is nominated under the 1996 Act, the court does not retain any jurisdiction with it. It becomes *functus officio* subject of course to exercise of jurisdiction in terms of constitutional provisions or the Supreme Court Rules.”

24. Although the aforementioned judgment was rendered in the context of Section 14(2) of the Act, yet what is important to note here is the fact that the Apex Court clearly held that once an appointment was made by the Court under Section 11(6) of the Act, the Court would become *functus officio*.
25. In **Garhwal Mandal Vikas Nigam Ltd. v. Krishna Travel Agency**, an Arbitrator came to be appointed by the Supreme Court pursuant to which an Award came to be passed, which was filed before the District Judge,

Dehradun. An application under Section 34 of the Act was filed for setting aside that Award. While the matter was pending before the District Judge, Dehradun, applications came to be filed before the Apex Court in which one of the contentions was since the appointment of the Arbitrator was made by the Apex Court, the Award ought to have been filed before the Apex Court and not before the District Court. It was in that context, the Apex Court held:

“ 8. Apart from these four cases, which have been brought to our notice, the position of law is very clear that in case the argument of learned counsel is accepted, that would mean that in every case where this Court passes an order, be it on appeal from the order passed by the High Court under Section 11(6) of the Arbitration and Conciliation Act, 1996, this Court will become a Principal Civil Court of Original Jurisdiction. If the argument is further taken to its logical conclusion that would mean that the parties will have to approach this Court by making an application under Section 34 i.e. for setting aside the award. The expression “court” used in Section 34 of the Act will also have to be understood ignoring the definition of “court” in the Act.

9. There is another facet of the problem. The party will be deprived of the right to file an appeal under Section 37(1)(b) of the Arbitration and Conciliation Act. This means that a valuable right of appeal will be lost. Therefore, in the scheme of things, the submission of the learned counsel cannot be accepted. Taking this argument to a further logical conclusion, when the appointment is made by the High Court under Section 11(6) of the Arbitration and Conciliation Act,



then in that case, in every appointment made by the High Court in exercise of its power under Section 11(6), the High Court will become the Principal Civil Court of Original Jurisdiction, as defined in Section 2(1)(e) of the 1996 Act. That is certainly not the intention of the legislature. Once an arbitrator is appointed then the appropriate forum for filing the award and for challenging the same, will be the Principal Civil Court of Original Jurisdiction. Thus, the parties will have the right to move under Section 34 of the 1996 Act and to appeal under Section 37 of the 1996 Act. Therefore, in the scheme of things, if appointment is made by the High Court or by this Court, the Principal Civil Court of Original Jurisdiction remains the same as contemplated under Section 2(1)(e) of the 1996 Act.”

26. The Apex Court reiterated the view expressed by the Court in **National Aluminium Co. Ltd. v. Pressteel & Fabrications (P) Ltd and State of Goa v. Western Builders** and held:

“10 ...we reaffirm the view that in case any appointment of arbitrator is made by the High Court under Section 11(6), the Principal Civil Court of Original Jurisdiction remains the District Court and not the High Court. And likewise, if an appointment of the arbitrator is made by this Court, in that case also, the objection can only be filed before the Principal Civil Court of Original Jurisdiction as defined in Section 2(1)(e) of the 1996 Act. ...”

27. In **State of West Bengal v. Associated Contractors**, the Apex Court was answering a reference as regards which Court would have jurisdiction in entertaining and deciding an application under Section 34 of the Act r/w

Section 2(1)(e) of the Act. This was a case where an application under Section 9 of the Act was filed before the High Court of Calcutta, which granted an interim order which was continued from time to time, until it came to be confirmed. Subsequently, an application was filed under Section 11 of the Act where an Arbitrator came to be appointed to adjudicate upon the disputes. The arbitration proceedings culminated in an Award which came to be challenged by the State of West Bengal under Section 34 of the Act before the Principle Civil Court of the learned District Judge at Jalpaiguri, wherein notices were issued. Subsequently, in a petition under Article 227 of the Constitution, the High Court held that since the parties had submitted to the jurisdiction of the High Court under its ordinary civil original jurisdiction in connection with the earlier proceedings arising out of the said contract, the Court of learned District Judge at Jalpaiguri to entertain the said application for setting aside the Award was excluded under Section 42 of the Act.

28. The question that also arose for consideration was whether the Supreme Court was a Court within the meaning of Section 2(1)(e) of the Act. The Apex Court noted the judgment rendered by it in **National Aluminium Co. Ltd.** And **Garhwal Mandal Vikas Nigam Ltd.** wherein it was held that when the Supreme Court appoints an Arbitrator but does not retain the seisin over the proceedings, the Supreme Court would not be „Court“ within the meaning of Section 2(1)(e) of the Act. In para 20, it held:

“20. As noted above, the definition of “court” in Section 2(1)(e) is materially different from its predecessor contained in Section 2(c) of the 1940 Act. There are a variety of reasons as to why the Supreme Court cannot possibly be considered to be “court” within the meaning of Section 2(1)(e) even if it retains seisin over the arbitral proceedings. Firstly, as noted above, the definition is exhaustive and recognizes only one of two possible courts that could be “court” for the purpose of Section 2(1)(e)....”

In para 25, it further held:

“25. Our conclusions therefore on Section 2(1)(e) and Section 42 of the Arbitration Act, 1996 are as follows:

- (a) Section 2(1)(e) contains an exhaustive definition marking out only the Principal Civil Court of Original Jurisdiction in a district or a High Court having original civil jurisdiction in the State, and no other court as “court” for the purpose of Part I of the Arbitration Act, 1996.

.....

- (e) In no circumstances can the Supreme Court be “court” for the purposes of Section 2(1)(e), and whether the Supreme Court does or does not retain seisin after appointing an arbitrator, applications will follow the first application made before either a High Court having original jurisdiction in the State or a Principal Civil Court having original jurisdiction in the district, as the case may be.

29. If a Court after making a reference under Section 11(6) of the Act becomes *functus officio*, subject of course to the exercise of jurisdiction in terms of the constitutional provisions, the question of seeking an extension in terms of Section 29A from the High Court or the Supreme Court, assuming that it had passed the initial order of reference, would not arise except where the High Court was vested with original jurisdiction, which in any case the High Court of Andhra Pradesh is not vested with.
30. Section 29A(4) does not refer to the „Court“ as the High Court or the Supreme Court and therefore, the definition contained in Section 2(1)(e) has necessarily to be relied upon, which in the case of an arbitration other than international commercial arbitration means the Principal Civil Court of original jurisdiction in District and includes the High Court in exercise of its original civil jurisdiction having jurisdiction to decide the questions forming the subject matter of arbitration, if the same had been the subject matter of a Suit. If the intention of the Parliament were to vest the power of extending the mandate of an Arbitrator only in High Court as envisaged under Section 11, then nothing could have prevented it from providing so, as it did specifically in Section 11.

31. While some High Courts have taken a view that contextual interpretation of the provisions contained in Section 29A was required in view of the provisions of Section 2, which states „in this Part, unless the context otherwise requires“, we are of the opinion that the context of Section 29A does not in any manner indicate that the word „Court“ in Section 29A should be construed otherwise than as has been defined under Section 2(1)(e).
32. In **CST v. Union Medical Agency** , the question that fell for consideration was whether the expression „registered dealer“ in clause (ii) of Section 8 of the Bombay Sales Tax Act, 1959, would bear the meaning that was assigned to it in Section 2(25), which is a definition Section or was the said expression capable of bearing an enlarged meaning in view of the subject and context in which it was used in clause (ii) of Section 8 of the Bombay Sales Tax Act. The Apex Court in that context held:

“The expression “registered dealer” having been defined in Section 2(25) of the Act as having a particular meaning i.e. a dealer registered under Section 22 of the Act, it is that meaning alone which must be given to it in interpreting clause (ii) of Section 8 of the Act, unless there is anything repugnant to the context. It was not permissible for the High Court to ignore a statutory definition and give to the expression a wider meaning independent of it. There is nothing to suggest that the expression “registered dealer” is used in clause (ii) of Section 8 of the Act in any different sense from that in which it is defined. It is significant to notice that whenever the legislature wanted that the expression “registered dealer” should have a different meaning, it has expressly said so. Thus, in sub-section (1) of Section 4 it mentions of “a dealer who is registered under the

Central Sales Tax Act, 1956”. The distinction between the two classes of dealers is, therefore, clearly maintained.”

33. In **CIT v. Ahmedabad Urban Development Authority**, while considering the phrase „unless the context otherwise requires” in definition clause, it was held that when the definition of a term is preceded by this phrase, normally the definition given in the Section should be applied and given effect to, but this normal rule could be deviated if there was something in the context to show that the definition should not be applied. It was held:

“137... the term “unless the context otherwise requires” implies that the word or term so defined should be applied — subject to the context. It was held that in view of such a qualification, the Court has not only to look at the words but also to look at the context, collocation, and the object of such words in respect of such matters and factor the meaning to be conveyed by the use of the words under the circumstances....

138. The importance of terms expressly defined in a statute is that they are internal and binding aids to interpretation. The prefacing — to any definition — of the phrase “*unless the context otherwise requires*” merely signifies that in case there is anything expressly to the contrary, in *any specific provision(s)* in the body of the Act, a different meaning can be attributed. However, to discern the purport of a provision, the term, as defined has to prevail, whenever the expression is used in the statute. This rule is subject to the exception that when a contrary

intention is plain, in particular instances, that meaning is to be given...”

34. It is settled law that while interpreting a definition, a construction which would defeat or was likely to defeat the purpose of the Act has to be ignored. Considering the provisions of Section 29A of the Act, we do not find that the expression „Court“ used therein requires to be given contextually a different meaning than the definition of „Court“ as contained in Section 2(1)(e) of the Act.
35. Having considered the entire issue, we are of the opinion that this Court, not being a Court within the meaning of Section 2(1)(e) of the Act has no jurisdiction to entertain an application under Section 29A of the Act and hence the present applications are not maintainable. We leave it open to the applicants to approach the appropriate forum in accordance with law.
36. The Arbitration Applications are, accordingly, dismissed. There shall be no order as to costs.

Pending miscellaneous applications, if any, shall stand closed.

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