

MADHO S/o SHRIHARI DESHPANDE
v.
MADHAO S/o TRIMBAK DHARMADHIKAREE

APRIL 22, 1988

[SABYASACHI MUKHARJI AND
K. JAGANNATHA SHETTY, JJ.]

Arbitration Act, 1940: Section 2(c)—Award—Filing of—Jurisdiction of Court—Court where subject matter of dispute situated has jurisdiction.

Civil Procedure Code, 1908: Sections 17 and 20—Award of Arbitrator—Filing of in Court—Proper Court is Court where subject matter of dispute situate.

An Award of an Arbitrator in respect of properties situated mostly at Warora, Chandrapur and only a bit of property situated at Nagpur, did not mention the place of execution. The arbitrator was resident of Nagpur. The award was filed in the Civil Court at Nagpur. The Civil Judge held that only a bit of property situated at Nagpur and the residence of arbitrator at Nagpur did not give local jurisdiction to the Court at Nagpur and dismissed the application saying that the award ought to have been filed in the Court of Civil Judge, Chandrapur. The revision application was summarily rejected by the Bombay High Court. The appeal by special leave is against the judgment of the Bombay High Court.

Allowing the appeal, this Court,

HELD: 1. The Court at Nagpur had undoubtedly part of the jurisdiction to entertain the suit, as part of the dispute which was the subject-matter of the dispute was within the jurisdiction of the Nagpur Court. This view is further corroborated by Section 2(c) of the Arbitration Act, 1940. [687F]

1.2 In view of the provisions of Sections 17 and 20 of the Code of Civil procedure, the order of the Civil Judge that the award be returned for presentation to the proper Court is erroneous. The High Court was also in error in not entertaining the application and in not setting aside the order of the Civil Judge. [687F, G-H]

- A [The Court set aside the orders of both the Civil Judge and the High Court and directed the Civil Judge to proceed with the objection to the award filed in his Court at Nagpur and dispose it of as quickly as possible.] [688A-B]

- B CIVIL APPELLATE JURISDICTION: Civil Appeal No. 1538 of 1988.

From the Judgment and Order dated 8.9.86 of the High Court of Bombay in Nagpur Bench at Nagpur in C.R.A. No. 100/86.

- C Y.S. Dharmadhikari, Dr. N.M. Ghatate and S.V. Deshpande for the Petitioners.

S.S. Khanduja, Y.P. Dhingra and B.K. Saluja for the Respondents. (Not Present).

- D The Judgment of the Court was delivered by

SABYASACHI MUKHARJI, J. In this case notice had been issued indicating that the matter would be disposed of at the notice stage. The respondents have not appeared.

Special leave granted and the appeal is disposed as hereunder.

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The only question involved in this appeal is whether the High Court of Bombay, Nagpur Bench, was right in rejecting the revision application summarily when the learned Civil Judge had held that the award was wrongly presented in his Court and he had no jurisdiction to go into the question of validity of the award. The facts are that there was a reference to an arbitrator. The award was filed in the Civil Court at Nagpur and objection was filed against the said award. The short question upon which the learned District Judge dismissed the application was that Nagpur was not the Court which had jurisdiction to entertain application. He held in his order, *inter alia*, as follows:

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"Most of the parties to the agreement of reference are the residents of Warora in the District of Chandrapur. On the careful scrutiny of agreement of reference, the place of execution of the said agreement seems to have been omitted. I am quite unable to understand as to how the glaring mistake in respect of omission of place of execution of the agreement has been committed. It seems that the place of

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execution of the agreement is deliberately omitted with
intend to file the award in the Civil Court at Nagpur as the
arbitrator is the resident of Nagpur. For his convenience to
file the award in the Civil Court at Nagpur, the place of
execution of the agreement seems to have been omitted.
Moreover, it appears that the agreement for reference
appears to have been prepared and drafted at Nagpur as
stamp paper was purchased at Nagpur. It does not mean
that the parties executed agreement for reference at
Nagpur as the most of the parties are the residents of
Warora and most of the property except the house on plot
No. 94, at Shiwaji Nagar, Nagpur, is situated at Warora in
Chandrapur District. An adverse inference can be drawn
that the agreement of reference was executed at Warora in
Chandrapur District which comes within the local jurisdic-
tion of the Civil Judge, Senior Division, Chandrapur.”

The learned Civil Judge held that the award passed by the
arbitrator ought to have been filed in the court of Civil Judge, Senior
Division, Chandrapur. The learned Civil Judge held that only a bit of
property situated at Nagpur and the residence of arbitrator at Nagpur
did not give local jurisdiction to the Court at Nagpur. He accordingly
dismissed the application with the order that award be returned for
presentation to the proper Court having legal jurisdiction. We are of
the opinion that the learned Civil Judge was in error in view of the
provisions of Sections 17 and 20 of the Code of Civil Procedure, in
holding as he did.

In view of the facts mentioned undoubtedly part of the dispute
which was the subject matter of dispute was within the jurisdiction of
the Nagpur Court. This view is further corroborated by the Section
2(c) of the Arbitration Act, 1940. The Court at Nagpur had
undoubtedly part of the jurisdiction to entertain the suit.

The High Court had summarily rejected the revision application
against the said order of the learned Civil Judge. The High Court, in
our opinion, also was in error in not entertaining the application and in
not setting aside the order of the learned Civil Judge. In the premises
and in the facts of this, we are of the opinion, that the High Court and
the learned Civil Judge were in error. Their orders are therefore set
aside.

A The appeal is allowed. Let the learned Civil Judge proceed with the objection to the award filed in his Court at Nagpur. The said objection may be disposed of as quickly as possible. There will be no order as to costs.

B G.N.

Appeal allowed.