

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL No.12488 OF 2017  
(Arising out of S.L.P. (Civil) No.10201/2017)

RANJIT PROJECTS PVT. LTD. .. APPELLANT (S)

Versus

GUJARAT STATE ROAD DEVELOPMENT .. RESPONDENT (S)  
CORPORATION LTD. AND ORS.

O R D E R

1. Leave granted.
2. The present proceeding arises out of an application for amendment having been made to amend the claim before the Arbitral Tribunal. This application was dismissed vide order dated 13<sup>th</sup> November, 2016 by the Arbitral Tribunal. In an application to recall the aforesaid order, vide order dated 27<sup>th</sup> December, 2016 the Tribunal recalled the aforesaid order and allowed the amendment. The respondents before us then applied on 5<sup>th</sup> August, 2017 to the Arbitral Tribunal under Section 16 of the Arbitration and Conciliation Act, 1996, stating that the amended claim was beyond the scope of the arbitral proceedings and, therefore, be set aside on this ground alone. This met with no success as the Tribunal dismissed the said application stating that the amended claim was within the scope of the reference and that it had the competence and jurisdiction to decide it. Meanwhile, the respondents had, on 4<sup>th</sup> February, 2017, gone against the order dated 27<sup>th</sup> December, 2016 to the High Court in Special Civil Application 2305 of 2017, in which the High Court, by an order dated 6<sup>th</sup> March, 2017, stayed the further proceedings in the arbitration and set down the Special Civil Application for hearing.

3. The appellant is before this Court against the impugned order dated 6<sup>th</sup> March, 2017.

4. We are of the view that the High Court erred in interfering with, at this juncture, and staying the proceedings under Article 227 of the Constitution of India. Section 5 of the Arbitration and Conciliation Act, 1996 clearly interdicts judicial intervention except where so provided in this part. No doubt this does not mean that a proceeding under the Constitution can be interdicted, but all the same that the High Court will keep Section 5 in mind while exercising discretion under Article 227 in the midst of an arbitral proceeding. According to us, the High Court was in error in interdicting the arbitral proceeding at this stage.

5. Further, regard also being had to the fact that after having filed the said petition before the High Court, the respondents went back to the Arbitral Tribunal in a petition under Section 16 of the 1996 Act albeit and without prejudice to their rights and contentions, we are of the view that the arbitral proceedings must carry on and culminate in an arbitral award. It is only thereafter that the respondents can challenge the award that is passed by the Tribunal on the ground raised under Section 16.

6. With these observations, the impugned order is set aside and the appeal is disposed of.

.....J.  
[ROHINTON FALI NARIMAN]

.....J.  
[SANJAY KISHAN KAUL]

NEW DELHI,  
SEPTEMBER 11, 2017.

ITEM NO.54

COURT NO.10

SECTION III

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

Petition for Special Leave to Appeal (C) No(s). 10201/2017

(Arising out of impugned final judgment and order dated 06-03-2017  
in SCA No. 2305/2017 passed by the High Court of Gujarat at  
Ahmedabad)

RANJIT PROJECTS PVT. LTD.

Petitioner(s)

VERSUS

GUJARAT STATE ROAD DEVELOPMENT CORPORATION LTD. AND ORS.  
Respondent(s)

(and IA No.68033/2017-VACATING STAY)

Date : 11-09-2017 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE ROHINTON FALI NARIMAN  
HON'BLE MR. JUSTICE SANJAY KISHAN KAULFor Petitioner(s) Mr. Shyam Divan, Sr.Adv.  
Mr. Ranjit B. Raut, Adv.  
Ms. Bina Gupta, AORFor Respondent(s) Mr. Amar Dave, Adv.  
Mr. Rishi Maheshwari, Adv.  
Mr. Bharat Sood, Adv.  
Ms. Shruti Jose, Adv.  
Mr. Siraj R. Gori, Adv.  
Mr. Subhoshree Sil, Adv.  
Mr. P. S. Sudheer, AORUPON hearing the counsel the Court made the following  
O R D E R

Leave granted.

The appeal is disposed of in terms of the signed order.

(USHA RANI BHARDWAJ)  
AR CUM PS(SAROJ KUMARI GAUR)  
BRANCH OFFICER

Signed order is placed on the file.