

SUPREME COURT OF INDIA

H.L. Batra and Company

Vs.

State of Haryana

(Sujata V.Manohar and R.C.Lahoti JJ.)

27.01.1999

ORDER

The Text below is only a summarized version of the order pronounced

The award of the arbitrator was set aside by the sub-judge, Gurgaon on the grounds that originally the appellant had filed 30 claims before the first arbitrator and then added 7 additional claims before the second arbitrator thereby enlarging the scope of arbitration which was not permissible in law. The District Judge upheld this judgment and a revision from the same were dismissed by the High Court. The courts proceeded on the basis that the scope of arbitration was confined only to 30 claims that were originally filed before the High Court. But it is clear that the arbitrator was appointed for the purpose of settling disputes between the parties and the terms of the reference do not confine the second arbitration only to the 30 claims. Therefore the scope of the arbitration has not been enlarged contrary to law and the as the claims filed pertained to the contract, they were within the terms of the reference and the award cannot be set aside on the grounds that it was beyond the scope of arbitration. The impugned judgments are set aside and the appeal is allowed.