IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
R/FIRST APPEAL NO. 2665 of 2026
With
CIVIL APPLICATION (FOR STAY) NO. 1 of 2026
In R/FIRST APPEAL NO. 2665 of 2026

FOR APPROVAL AND SIGNATURE:
HONOURABLE THE CHIEF JUSTICE MRS. JUSTICE SUNITA AGARWAL
and
HONOURABLE MR.JUSTICE D.N.RAY

==

Approved for Reporting	Yes	No
		✔

==

NIRMAL ARVIND MODY
Versus
NEHA H. TRIVEDI & ORS.

==

Appearance:
MR. UNMESH SHUKLA, SR. ADV. WITH MR. SHASHVATA U SHUKLA(8069) WITH MR. VINIT GAJJAR for the Appellant(s) No. 1

==

CORAM:**HONOURABLE THE CHIEF JUSTICE MRS. JUSTICE SUNITA AGARWAL**
and
HONOURABLE MR.JUSTICE D.N.RAY

Date : 22/06/2026

REASONED ORAL JUDGMENT

(PER : HONOURABLE THE CHIEF JUSTICE MRS. JUSTICE SUNITA AGARWAL)

Heard the learned counsels for the parties and perused the record.

2. The present appeal has been filed under Section 37 of the Arbitration and Conciliation Act, 1996 (in short as 'the Act, 1996') against the judgment and order dated 10.07.2025 passed by the Commercial Court, City Civil Court, Ahmedabad, refusing to refer the parties to Arbitration under Section 8 of the Act, 1996, by rejecting Section 8 application moved by the appellant herein by the Commercial Court in Commercial Civil Suit no. 638 of 2024.

3. It is categorically recorded in the judgment impugned that multiple reliefs have been sought in the suit and one of them is for recovery of loan given by the plaintiffs to the partnership firm. Admittedly, the said dispute is not imbibed in the agreement under the partnership deed and as such, cannot be adjudicated by the Arbitrator. Reliance placed by the learned counsel for the defendant on the decision of the Apex Court in **Mrs. Hema Khattar & Anr. V/s. Shiv Khera [2017 0 Supreme Court (SC) 325]** was, thus, of no help.

4. Mr. Unmesh Shukla, the learned senior advocate for the appellant would submit that the plaintiffs are the heirs and legal representatives of late Hitesh Hasmukhbhai Trivedi, who was 45% partner in the partnership firm. The defendant Nos. 1 and 2 are the partners and the reliefs sought in the suit is to dissolve and wind up the affairs and business of the partnership firm, M/s. Team Engineers, and to give assets, goodwill, receivable and profit of the partnership firm available as on the date of death of late Hitesh Hasmukhbhai Trivedi, as per his share.

5. The submission is that the reliefs of dissolution/winding up and accounting of the assets of the partnership firm are directly and substantially covered by the arbitration clause contained in the partnership deed signed by the predecessor-in-interest of the respondents herein/original plaintiffs. The result is that on filling of the application under Section 8, there was no option before the Civil Court but to refer the parties to arbitration in view of the mandate of the said provision. It was argued that the language of Section 8 is peremptory, where the arbitration clause exists, it is mandatory for the Court to refer the parties to arbitration. Once pre-requisite conditions of Section 8 are fulfilled, no option is left to

the Court, but to refer the dispute for arbitration.

6. The submission is that the approach of the Civil Court upon filling of Section 8 application should be to see whether its jurisdiction has been ousted or not. Once it is brought to the notice of the Court that its jurisdiction has been taken away in terms of the special statute, it must examine whether there is ouster or it has jurisdiction therein. General law must give way to the special law and the Civil Court shall ensure that the provisions of the special statute are given due weightage as against the general provisions of the CPC.

7. Relying upon the decision of the Bombay High Court in **Taru Meghani, through his Constituted Attorney M/s. Shraddha Khandhadia and Others v/s. Shree Tirupati Greenfield (Shree Tirupati Greenfield Developers) and Others [2020 SCC OnLine Bom 110]**, it was argued that in a suit for specific performance of agreement therein, the Bombay High Court has held that all claims including those outside the arbitration agreement, were to be referred to the arbitration. The issues which arose therein were :- can the salutatory object of Section 8 of the Act, 1996 be defeated by adding a claim over and above the claim in respect of which the matter is squarely covered by the arbitration agreement ?; and whether splitting of cause of action in the event arbitration agreement in the MOU was given effect to, is permissible.

8. Noticing therein that though the plaintiff has a right to join multiple cause of action against the defendant in the same suit, however, under Rule 6 of Order II, CPC, the Court is empowered to order separate trials, when it finds that joinder of cause of action would embarrass or delay the trial or it is otherwise inconvenient.

The Bombay High Court has, thus, concluded that the Court cannot be divested of the authority to direct separation of causes of action when the joinder of causes of action in pursuance of enabling provisions like Rule 3 or Order II has the effect of defeating the provisions of special law, like Section 8 of the Act, 1996. The submission of the plaintiff therein that bifurcation of subject matter of suit therein was impermissible in law, was turned down noticing that such an argument cannot be accepted in an unqualified manner, was the submission is frought with the danger of defeating an arbitration agreement, by simply adding a cause of action, the plaintiff may have against the defendant, which is not covered by the arbitration agreement.

9. It was, thus, held in **Taru Meghani (supra)** that if such an approach is readily accepted, it has the propensity to give lease to the plaintiff to circumvent arbitration agreement by uniting cause of action, which is beyond the purview of arbitration agreement. It would have the effect of denuding Section 8 of the Act, 1996 of all its force and vigor. Such an intention would also derogate from the object which the Arbitration and Conciliation Act, 1996 is intended to achieve, of minimal judicial intervention when the parties have agreed to arbitrate the dispute. With the above, the Bombay High Court had separated both the causes of actions and with regard to the one transaction, the parties were referred to arbitration in accordance with the arbitration clause contained therein, whereas with regard to the other, the plaintiff was given liberty to institute a fresh suit in the Court of competent jurisdiction.

10. Reliance is also placed upon the decision of the Calcutta High Court in **Lindsay International Private Limited and Others v/s. Laxmi Niwas Mittal and Others [(2022) 1 High Court Cases**

(Cal) 23] wherein, in a suit-relief for specific performance of a pre-incorporation agreement against the defendant Nos. 1-38 and for specific performance of a non-competition agreement against defendant Nos. 39-42 as also for declaration and injunction, an application under Section 8 of the Act, 1996 was filed. The issue arose therein was as to the applicability of the dictum of the Apex Court in **Sukanya Holdings Pvt. Ltd. (supra)** about non-permisibility of bifurcation of subject matter or cause of action in the suit.

11. Placing the decision in **Lindsay International Private Limited (supra)**, it was vehemently argued by the learned senior counsel for the appellant before us that the Calcutta High Court has noted therein that unambiguous mandate on the Court is to refer the parties to the arbitration, with the only exception where the Court can refuse the reference, if it is *prima facie* established that no valid arbitration agreement exists. The onus to establish that a valid arbitration clause does not exist, rests squarely on the party who seek to resist the reference.

12. While taking note of the object and reasons of the Arbitration and Conciliation (Amendment Bill 2015), the Calcutta High Court has further noted the long line of judgments of the Apex Court on the interpretation of various facets of the amended Section 8 and concluded that what emerges from the said provision is that the Court must keep a hands-off approach as opposed to face-off with the arbitration process and give a decisive push to the arbitral process once the Court is satisfied, *prima facie,* that a valid agreement exists in a matter which is arbitrable. The court's inquiry is limited only to this and no more. The further question before the Calcutta High Court in light of Order II Rule 6 of CPC

was "can the cause of action in the suit be bifurcated?”.

13. At this juncture, going through the judgment of the Calcutta High Court, we may note that while answering the said question, the Calcutta High Court reached at the conclusion that "it can be fairly assumed that the plaint has been prepared with the object of avoiding the arbitration agreement between the plaintiff No.1 and the vendor group of defendants therein”. The argument of the plaintiffs therein that the disputes, if referred, would result in bifurcation of composite cause of action or split-up necessary and proper parties, was held untenable, holding that the said interpretation would be destructive of the legislative intent to promote the arbitration. It was observed that none of the decisions including **Vidya Drolia & Ors. Durga Trading Corporation [(2021) 2 SCC 1]** have held that an application under Section 8 will only exist, when the entire suit is capable of being referable to the arbitration.

14. Further, referring to **Sukanya Holdings Pvt. Ltd.(supra),** it was observed therein that in view of the amendment of 2015 Act, **Sukanya Holdings Pvt. Ltd. (supra)** is no longer a relevant factor for the Court to consider at the stage of reference in an application under Section 8 of the Act, 1996. The Court is not even under a mandate post-amendment, to adjudicate on the bifurcability of the causes of action or the presence of parties who are necessary parties to the action, but not to the arbitration. The only brake in the momentum of the reference is the court finding *prima facie* that no valid arbitration agreement exists. The only bar to refer the dispute under the amended Section 8 of the Act, 1996 is non-existence of a valid arbitration agreement.

15. It was argued before us by the learned senior counsel for the

appellant that the Calcutta High Court relying upon the judgment of the Apex Court in **N.N.Global Mercantile (P) Ltd. v/s. Indo Unique Flame Ltd. [(2021) 4 SCC 379]** has held that the requirement of a valid arbitration agreement involves a dispute, which is arbitrable and as clarified by the Apex Court all civil or commercial disputes which are capable of being adjudicated by a Civil Court, in principle, are held capable of being resolved unless specifically excluded by the statute or by necessary implication. The Arbitration and Conciliation Act, 1996 does not contain any provision by which any particular category of dispute is held to be non-arbitrable. Section 2(3) of the Act saves certain prevalent laws under which dispute may not be submitted to the arbitration. However, the actions *in persona* which determines the rights and interest of the parties to the subject matter of dispute, are clearly arbitrable.

16. It was, thus, held, in the facts of the said case, that the claims and disputes therein are entirely between the private parties for determination of their rights and obligations, as contained in the Purchase Orders containing the arbitration clause, and it was not a case where the cause of action and subject matter dispute require centralised adjudication or would have the effect of binding the third parties thereby referring piecemeal adjudication inappropriate and unenforceable. It was observed that even before the amendment was effected to Section 8 of the Act 1996 in 2016, once the existence of the valid arbitration agreement was admitted, the judicial authority was statutorily mandated to refer the matter to arbitration.

17. Heavily relying upon the said decision, it was argued by the learned senior counsel for the appellant that the law to refer the

dispute to arbitration under Section 8 of the Act, 1996 is sacrosanct and no deviation is permissible with respect to the reliefs claimed in the instant suit, which are governed by the Arbitration Agreement between the parties. Thus, in view of Rule 6 of Order II, the Court had no option, but to bifurcate the reliefs in the plaint and to refer the parties to arbitration with respect to the reliefs, which are directly and substantially governed by the arbitration clause, namely dissolution and rendition of accounts of the partnership firm.

18. To deal with the submissions of the learned senior counsel for the appellant, we are required to go through the law pertaining to the scope and purport of Section 8 of the Arbitration and Conciliation Act, 1996, which has underwent a substantial amendment with the Act No. 3 of 2016, w.e.f. 23.10.2025, popularly known as the 2015 Amendment to the Arbitration and Conciliation Act, 1996. The list of pre-amendment 2015 decisions on Section 8 of the Act’ 1996 commenced from **Sukanya Holdings (P) Ltd. v/s. Jayesh H. Pandya & Ors.[(2003) 5 SCC 531]** and ends with **Sundaram Finance Ltd. and Another v/s. T. Thankam [(2015) 14 SCC 444]** decided on 14.04.2003 and 20.02.2015; respectively.

19. In **Sukanya Holdings (P) Ltd. (supra)**, the question was as to whether the High Court was right in rejecting the application under Section 8 on the ground that subject matter of suit was not entirely between the contracting parties, reliefs other than the resolution was also claimed, and no power existed to partly refer the dispute to the arbitration. Considering the language of erstwhile Section 8 (pre-2015 amendment provisions),, it was held that the words "a matter" in Section 8 indicates that the entire

subject- matter of the suit should be subject to arbitration agreement. The suit should be in respect of "a matter" which the parties have agreed to refer and which comes within the ambit of the arbitration agreement. Where, however, the suit is commenced - "as to a matter" which lies outside the arbitration agreement and is also between some of the parties, who are not the parties to the arbitration agreement, there is no question of application of Section 8.

20. On the question as to whether the dispute can be partly referred to the arbitration and whether such a course is permissible under Section 8 of the Act, 1996, it was held therein that to give an interpretation to Section 8 under which bifurcation of cause of action is permissible, would be laying down a totally new procedure not contemplated under the Act, 1996. Moreover, such bifurcation of suit in two parts, one to be decided by the arbitral tribunal and other by the trial court, would inevitably delay the proceedings, create risk of conflicting judgments, increase litigation cost and cause harassment to the parties.

21. In **Sundaram Finance (supra)** decided on 20th February, 2015, the question was whether by mere inclusion of arbitration clause, the jurisdiction of civil court is completely ousted. In a sense, the issue addressed by the Apex Court was as to what would be the approach of the civil court when an application is filed before it under Section 8 of the Act, 1996. Analysing the provisions of Section 8 of the Act, 1996 holding the language therein as peremptory, it was held that it is mandatory for the Court to refer the parties to arbitration once the prerequisite conditions of Section 8 are fully satisfied. It was held that the approach of the civil court is not to see whether it has jurisdiction or not, and

instead it should see whether its jurisdiction has been ousted or not. Once, it is brought to the notice of the Court that its jurisdiction has been taken away in terms of the special statute, it must first examine whether there is ouster of its jurisdiction thereunder. On the issue of bifurcation of cause of action, the Apex Court has referred and relied upon **Sukanuya Holdings (P) Ltd. (supra)** stating that the said issue is no more *res integra*. It was directed therein to the trial court to pass a fresh order on the application under Section 8 of the Act, 1996 adopting an approach in the the spirit of principle that general law should yield to special law, so as to see whether its jurisdiction has been ousted under the special statute or not.

22. We may now go through the post-amendment decisions on Section 8 in **Ameet Lalchand Shah and Others v/s. Rishabh Enterprises and Another [(2018) 15 SCC 678]** decided on 3rd May, 2018. The Apex Court therein has noted that the amendments were brought in Section 8 to make it in line with Section 45 of the Act, 1996 contained in Chapter-I Part II of the Act, 1996. It was noted in paragraph No. '27' to '30' as under :-

> "*Amendment to Section 8 of the Arbitration and Conciliation Act, 1996*
>
> 27. Arbitration and Conciliation (Amendment) Act, 2015 has brought in amendment to Section 8 to make it in line with Section 45 of the Act. In view of the observation made in *Sukanya Holdings* [*Sukanya Holdings (P) Ltd.* v. *Jayesh H. Pandya*, (2003) 5 SCC 531] , Law Commission has made recommendation for amendment to Section 8 of the Act. Consequent to the 2015 Amendment Act, Section 8 is amended as under:
>
> > "8. *Power to refer parties to arbitration where there is an arbitration agreement*.—(1) A judicial authority, before which an action is brought in a matter which is the subject of an arbitration agreement shall, if a party *to the arbitration agreement or any person claiming through or under him*, so applies not later than *the date of* submitting his first statement on the substance of the dispute, *then,*

> *notwithstanding any judgment, decree or order of the Supreme Court or any court* refer the parties to arbitration *unless it finds that prima facie no valid arbitration agreement exists*.
>
> (2) The application referred to in sub-section (1) shall not be entertained unless it is accompanied by the original arbitration agreement or a duly certified copy thereof:
>
> *Provided that where the original arbitration agreement or a certified copy thereof is not available with the party applying for reference to arbitration under sub-section (1), and the said agreement or certified copy is retained by the other party to that agreement, then, the party so applying shall file such application along with a copy of the arbitration agreement and a petition praying the court to call upon the other party to produce the original arbitration agreement or its duly certified copy before that court*.
>
> (3) Notwithstanding that an application has been made under sub-section (1) and that the issue is pending before the judicial authority, an arbitration may be commenced or continued and an arbitral award made."
>
> (emphasis supplied)

28. "Principally four amendments to Section 8(1) have been introduced by the 2015 Amendments — (*i*) the relevant "party" that is entitled to apply seeking reference to arbitration has been clarified/amplified to include persons claiming "through or under" such a party to the arbitration agreement; (*ii*) scope of examination by the judicial authority is restricted to a finding whether "no valid arbitration agreement exists" and the nature of examination by the judicial authority is clarified to be on a "prima facie" basis; (*iii*) the cut-off date by which an application under Section 8 is to be presented has been defined to mean "the date of" submitting the first statement on the substance of the dispute; and (*iv*) the amendments are expressed to apply notwithstanding any prior judicial precedent. The proviso to Section 8(2) has been added to allow a party that does not possess the original or certified copy of the arbitration agreement on account of it being retained by the other party, to nevertheless apply under Section 8 seeking reference, and call upon the other party to produce the same." (Ref.: *Justice R.S. Bachawat's Law of Arbitration and Conciliation*, Sixth Edn., Vol. I (Sections 1 to 34) at p. 695 published by LexisNexis).

29. Amendment to Section 8 by the 2015 Act, are to be seen in the background of the recommendations set out in the 246th Law Commission Report. In its 246th Report, Law Commission, while recommending the amendment to Section 8, made the following observation/comment:

> *LC Comment*:

> "The words "such of the parties … to the arbitration agreement" and proviso (*i*) of the amendment have been proposed in the context of the decision of the Supreme Court in *Sukanya Holdings (P) Ltd.* v. *Jayesh H. Pandya* [*Sukanya Holdings (P) Ltd.* v. *Jayesh H. Pandya*, (2003) 5 SCC 531] in cases where all the parties to the dispute are not parties to the arbitration agreement, the reference is to be rejected only where such parties are *necessary* [Ed.: Emphasis in original.] parties to the action — and not if they are only proper parties, or are otherwise legal strangers to the action and have been added only to circumvent the arbitration agreement. Proviso (*ii*) of the amendment contemplates a two-step process to be adopted by a judicial authority when considering an application seeking the reference of a pending action to arbitration. The amendment envisages that the judicial authority shall not refer the parties to arbitration only if it finds that there does not exist an arbitration agreement or that it is null and void. If the judicial authority is of the opinion that prima facie the arbitration agreement exists, then it shall refer the dispute to arbitration, and leave the existence of the arbitration agreement to be finally determined by the Arbitral Tribunal. However, if the judicial authority concludes that the agreement does not exist, then the conclusion will be final and not prima facie. The amendment also envisages that there shall be a conclusive determination as to whether the arbitration agreement is null and void.
>
> (2) The application referred to in sub-section (1) shall not be entertained unless it is accompanied by the original arbitration agreement or a duly certified copy thereof *or a copy accompanied by an affidavit calling upon the other party to produce the original arbitration agreement or duly certified thereof in circumstances where the original arbitration agreement or duly certified copy is retained only by the other party*."
>
> (emphasis supplied)

LC Comment:

"In many transactions involving government bodies and smaller market players, the original/duly certified copy of the arbitration agreement is only retained by the former. This amendment would ensure that the latter class is not prejudiced in any manner by virtue of the same." (Ref: 246th Law Commission Report, Government of India)

30. The language of amendment to Section 8 of the Act is clear that the amendment to Section 8(1) of the Act would apply notwithstanding any prayer, judgment, decree or order of the Supreme Court or any other court. The High Court laid emphasis upon the word *"… unless it finds that prima facie no valid agreement exists*". The High Court observed that there is no

arbitration agreement between Astonfield and Rishabh. After referring to *Sukanya Holdings* [*Sukanya Holdings (P) Ltd.* v. *Jayesh H. Pandya*, (2003) 5 SCC 531] and the amended Section 8 and Section 45 of the Act, the High Court pointed out the difference in language of Section 8 and Section 45 of the Act. The High Court distinguished between *Sukanya Holdings* [*Sukanya Holdings (P) Ltd.* v. *Jayesh H. Pandya*, (2003) 5 SCC 531] and *Chloro Controls* [*Chloro Controls India (P) Ltd.* v. *Severn Trent Water Purification Inc.*, (2013) 1 SCC 641 : (2013) 1 SCC (Civ) 689] , and observed that *Sukanya Holdings* [*Sukanya Holdings (P) Ltd.* v. *Jayesh H. Pandya*, (2003) 5 SCC 531] was not overruled by *Chloro Controls* [*Chloro Controls India (P) Ltd.* v. *Severn Trent Water Purification Inc.*, (2013) 1 SCC 641 : (2013) 1 SCC (Civ) 689] . In para 29 of the impugned judgment, it was held as under: (*Ameet Lalchand case* [*Ameet Lalchand Shah* v. *Rishabh Enterprises*, 2017 SCC OnLine Del 7865] , SCC OnLine Del)

> "*29*. The change in Section 8 is that the court is to — in cases where arbitration agreements are relied on — to refer the disputes in the suit, to arbitration, "notwithstanding any judgment, decree or order of the Supreme Court or any Court, refer the parties to arbitration unless it finds that prima facie no valid arbitration agreement exists". The Court is of opinion that *Sukanya* [*Sukanya Holdings (P) Ltd.* v. *Jayesh H. Pandya*, (2003) 5 SCC 531] is not per se overruled, because the exercise of whether an arbitration agreement exists between the parties, in relation to the disputes that are the subject-matter of the suit, has to be carried out. If there are causes of action that cannot be subjected to arbitration, or the suit involves adjudication of the role played by parties who are not signatories to the arbitration agreement, it has to continue because "prima facie no valid arbitration agreement exists" between such non-parties and others, who are parties."

23. Interpreting the phrase "notwithstanding any judgment, decree or order of the Supreme Court or any Court refer the parties to agreement unless it finds that *prima facie* no valid agreement existence", it was held that the amendment to Section 8 by the 2015 Amendment, are to be seen in the background of the recommendation set out in 246th Law Commission Report, which was proposed in the context of the decision of the Apex Court in **Sukanya Holdings (P) Ltd. (supra)**, in cases where all the parties to the dispute are not parties to the arbitration agreement. The amendment envisages that the judicial authority shall not refer

the parties to arbitration only if it finds that there does not exist any arbitration agreement or that it is null and void. However, if the judicial authority is of the opinion that *prima facie* the arbitration agreement exists, then it shall refer the dispute to the arbitration and leave the existence of arbitration agreement to be finally determined by the arbitral tribunal. The amendment also envisages that there shall be conclusive determination on the issue that the arbitration agreement exists or the arbitration agreement is null and void.

24. In **Vidya Drolia and Others v/s. Durga Trading Corporation [(2021) 2 SCC Page 1]**, the Apex Court has dealt with the issues; (i) meaning of non-arbitrability and when the subject-matter of the dispute is not capable of being resolved through arbitration; and (ii) who decides non-arbitrarily-whether Court at the referral stage under Section 8 of the Act, 1996 or Section 11 of the Act, 1996 or arbitral tribunal; (iii) as also scope and ambit of jurisdiction of the Court at the referral stage when objection to non-arbitrability is raised. Fourfold test propounded therein for determining when the subject-matter of a dispute in an arbitration agreement is not arbitrable, has been laid in paragraph Nos. '76.1' to '76.4' therein. It was, however, clarified that these tests are not water-tight compartments, they dovetail and overlap, albeit when applied holistically and pragmatically will help and assist in determining and ascertaining with great degree of certainty, when as per law in India, the dispute or subject-matter is non-arbitrable. Only when the answer is in affirmative that the subject-matter of the dispute would be non-arbitrable. The tests laid down in **Vidya Drolia (supra)** in paragraph Nos. '76.1' to '76.4' are extracted hereinbelow :-

> "76.1. (*1*) When cause of action and subject-matter of the dispute relates to actions in rem, that do not pertain to subordinate rights in personam that arise from rights in rem.
> 76.2. (*2*) When cause of action and subject-matter of the dispute affects third-party rights; have *erga omnes* effect; require centralised adjudication, and mutual adjudication would not be appropriate and enforceable.
> 76.3. (*3*) When cause of action and subject-matter of the dispute relates to inalienable sovereign and public interest functions of the State and hence mutual adjudication would be unenforceable.
> 76.4. (*4*) When the subject-matter of the dispute is expressly or by necessary implication non-arbitrable as per mandatory statute(s)."

25. On the issue of existence of the arbitration agreement, referring to the language in Section 11, it was held that the expression "existence of arbitration agreement includes its validity". Existence and validity are intertwined as arbitration agreement can be said to exist only if it is valid, legal and enforceable under the 1996 Act and the Contract Act, i.e. it meets and satisfies the statutory requirements of both the enactments, being enforceable in law.

26. However, on the exercise of powers of *prima facie* judicial review as including validity, the referral court being the first forum that examines and decides the request for the referral, it was held that "absolute hands-off" approach would be counterproductive and harm arbitration as an alternative dispute resolution mechanism. Limited, yet effective intervention is acceptable as it does not obstruct, but effectuates arbitration. Exercise of limited *prima facie* judicial review does not in any way interfere with the principles of competence-competence and separation as to obstruct arbitration proceedings, but ensures that vexatious and frivolous

matters get over at initial stage. Exercise of *prima facie* power of judicial review as to the validity of the arbitration agreement, saves costs and check harassment of the objecting parties when there is clearly no justification and good reason not to accept the plea of non-arbitrability.

27. It was held that Sections 8 and 11 of the Act, 1996 are complementary provisions and object and purpose behind the two provisions is identical to compel and force the parties to abide by their contractual understanding. Two provisions, therefore, lay down similar standard and not as laying down as different and separate parameters of judicial review by the Court and for determining whether the arbitration agreement is in existence, inasmuch as, the judicial review at the stage of reference is *prima facie* and not final. It was held in paragraph Nos. '152' and '153' as under :-

> "152. Which approach as to interpretation of an arbitration agreement should be adopted in a particular case would depend upon various factors including the language, the parties, nature of relationship, the factual background in which the arbitration agreement was entered, etc. In case of pure commercial disputes, more appropriate principle of interpretation would be the one of liberal construction as there is a presumption in favour of one-stop adjudication.
>
> 153. Accordingly, we hold that the expression "existence of an arbitration agreement" in Section 11 of the Arbitration Act, would include aspect of validity of an arbitration agreement, albeit the court at the referral stage would apply the prima facie test on the basis of principles set out in this judgment. In cases of debatable and disputable facts, and good reasonable arguable case, etc., the court would force the parties to abide by the arbitration agreement as the Arbitral Tribunal has primary jurisdiction and authority to

decide the disputes including the question of jurisdiction and non-arbitrability."

28. In **N.N.Globle Mercantile Pvt. Ltd. v/s. Indo Unique Flame Limited and Others [(2021) 4 SCC 379],** the Apex Court applying the doctrine of separatability has held that the arbitration agreement being a separate and distinct agreement from the underlying agreement, contract would survive independently of the substantive contract and would not be rendered invalid, unenforceable or non-existent, even if the substantive agreement is not admissible in evidence and cannot be acted upon on account of non-payment of stamp duty.

29. In **Gujarat Composite Limited v/s. A Infrastructure Limited and Others [(2023) 7 SCC 193]**, the question concerning arbitrability of the dispute at the stage of Section 8 application was raised. It was contended that the application seeking reference to the dispute under Section 8 of the 1996 Act having been filed subject to the Amendment of 2015, in the pending civil suit, there was no choice with the Court, but to refer the parties to the arbitration, even for deciding the arbitrability of the dispute. The respondents contested the claim on the ground that though under the amendment of 2015, Section 8 envisages that if the judicial authority is of the opinion that *prim facie* the arbitration agreement exists, then it shall refer the dispute to the arbitration and leave the existence of the arbitration agreement to be finally determined by the arbitral tribunal. However, if the judicial authority concludes that the agreement does not exist, then the conclusion will be final and not *prima facie*. The amendment of 2015 also envisages that there shall be a conclusive determination as to whether the arbitration agreement is null and void. In the context of these assertions, the Apex Court noticing the provisions of Section 8 and the decisions holding the field during pre-

amendment and post-amendment regime referred to **Ameet Lalchand (supra) and Vidya Drolia (supra)** and observed in paragraph Nos. '35' and '36' as under :-

> "35. As explained by this Court in *Ameet Lalchand Shah* [*Ameet Lalchand Shah* v. *Rishabh Enterprises*, (2018) 15 SCC 678 : (2019) 1 SCC (Civ) 308] , the amendment to Section 8 after the aforesaid decision in *Sukanya Holdings* [*Sukanya Holdings (P) Ltd.* v. *Jayesh H. Pandya*, (2003) 5 SCC 531] could be seen in the background of the recommendations of 246th Law Commission Report in which, inter alia, it was observed that as per the proposed amendment, judicial authority would not refer the parties to arbitration only if it finds that there does not exist an arbitration agreement or that it is null and void. If the judicial authority is of the opinion that prima facie the arbitration agreement exists, it would refer the dispute to arbitration and leave the existence of arbitration agreement to be finally determined by the Arbitral Tribunal.
>
> 36. All the relevant aspects of the matter came up for fuller exposition by a three-Judge Bench of this Court in *Vidya Drolia* [*Vidya Drolia* v. *Durga Trading Corpn.*, (2021) 2 SCC 1 : (2021) 1 SCC (Civ) 549] . In the said case, basically, the reference came to be made to the Bench of three Judges when the ratio expressed in *Himangni Enterprises* v. *Kamaljeet Singh Ahluwalia* [*Himangni Enterprises* v. *Kamaljeet Singh Ahluwalia*, (2017) 10 SCC 706 : (2018) 1 SCC (Civ) 82] , to the effect that landlord-tenant disputes governed by the provisions of the Transfer of Property Act, 1882 were not arbitrable, was doubted. While dealing with the reference, the Court also dealt with the other interconnected aspects as to the meaning of non-arbitrability and when the subject-matter of the dispute would not be capable of being resolved through arbitration; and as to whether the question of non-arbitrability would be decided by the Court at the reference stage or by the Arbitral Tribunal in the arbitration proceedings."

30. The conclusions drawn in **Vidya Drolia (supra)** in paragraph No. '244' noted in **Gujarat Composite Limited (supra)** are also relevant to be noted herein :-

> "*244.1*. Sections 8 and 11 of the Act have the same ambit with respect to judicial interference.
>
> *244.2*. Usually, subject-matter arbitrability cannot be decided at

> the stage of Sections 8 or 11 of the Act, unless it is a clear case of deadwood.
>
> *244.3*. The court, under Sections 8 and 11, has to refer a matter to arbitration or to appoint an arbitrator, as the case may be, unless a party has established a prima facie (summary findings) case of non-existence of valid arbitration agreement, by summarily portraying a strong case that he is entitled to such a finding.
>
> *244.4.* The court should refer a matter if the validity of the arbitration agreement cannot be determined on a prima facie basis, as laid down above i.e. "when in doubt, do refer".
>
> *244.5*. The scope of the court to examine the prima facie validity of an arbitration agreement includes only:
>
> *244.5.1*. Whether the arbitration agreement was in writing? or
>
> *244.5.2*. Whether the arbitration agreement was contained in exchange of letters, telecommunication, etc.?
>
> *244.5.3*. Whether the core contractual ingredients qua the arbitration agreement were fulfilled?
>
> *244.5.4*. On rare occasions, whether the subject-matter of dispute is arbitrable?"

31. In the facts of the said case, however, it was held that the "present one cannot be said to be a case involving any "doubt" about non-existence of arbitration agreement in relation to the dispute in question". It was, thus, concluded in **Gujarat Composite Limited (supra)** that there being no doubt about non-existence of the arbitration agreement in relation to the entire subject matter of the suit, and when substantive reliefs claimed in the suit fall outside the arbitration clause in the original license agreement, therefore, even on the principles enunciated in **Vidya Drolia (supra)**, the prayer for reference to arbitration under Section 8 cannot be granted.

32. In **Cox and Kings Limited v/s. SAP India Private Limited and Another [(2024) 4 SCC 1]**, while dealing with the standard

of determination at the referral stage under Sections 8 and 11 of the 1996 Act, the Apex Court has held that the scope of reference under Sections 8 and 11 is limited. While Section 8 requires the referral Court to look into the *prima facie* existence of a valid arbitration agreement, Section 11 confines the Court's jurisdiction to the existence of the "examination of the arbitration agreement". Section 16 of the Arbitration and Conciliation Act, 1996 incorporates the principle of competence-competence in the Indian Arbitration Law. The provision empowers the arbitral tribunal to rule on its own jurisdiction, including ruling on any objections with respect to the existence or validity of the arbitration agreement.

33. On the question as to when a non-signatory person or entity is arrayed as a party at Section 8 or Section 11 stage, whether the referral court should delete or exclude such third party from the array of the parties before referring the matter to the Tribunal, it was held that in case of joinder of non-signatory parties to the agreement; where a signatory party to an arbitration agreement seeks joinder of a non-signatory party to the agreement; or whether a non-signatory party itself seeks invocation of arbitration agreement, the referral court will be required to *prima facie* rule on the existence on the arbitration agreement and whether the non-signatory is a veritable party to the arbitration agreement.

34. However, it was held that in view of complexity of such a determination, the referral court should leave it for the Arbitration Tribunal to decide whether the non-signatory party is indeed a party to the arbitration agreement on the basis of factual evidence and application of legal doctrine. This interpretation also gives true effect to the doctrine of competence-competence by leaving the issue of determination of true parties to an arbitration

agreement to be decided by the Arbitration Tribunal under Section 16. It was, thus, concluded that :-

> (i) Under the Arbitration Act, the concept of 'party' is distinct and different from the concept of "person claimed through or under" as party to the arbitration;
> (ii) The person claiming through or under can only assert right in a veritable capacity and it does not enable a non-signatory to become a party to the arbitration agreement.
> (iii) At the referral stage, the referral court should leave it for the arbitral tribunal to decide whether the non-signatory is bound by the arbitration agreement.

35. In **Rahul Verma and Others v/s. Rampat Lal Verma and Others (2025 SCC OnLine SC 578)**, in the Commercial Suit, the respondent filed an application under Section 8 was filed on the basis of the arbitration clause in the partnership deed. The High Court held that partnership deed binds the heirs of the deceased partner and referred the matter to the arbitration. The legal heirs of the deceased partner had challenged the same. Two questions fell for consideration before the Apex Court; (i) whether the legal heirs of the deceased partner being non-signatories to the partnership deed, can still be bound by the arbitration agreement therein and (ii) whether there is right to sue for the rendition of accounts to the legal heirs, entitling them to invoke the arbitration clause in the partnership deed. The decision of the Apex Court in Ravi Prakash Goel v/s. Chandra Prakash Goel [(2018) 13 SCC 667] was relied upon to squarely cover the facts of the case, wherein it is held that the arbitration agreement does not cease to exist on the death of any partner and the arbitration agreement can be enforced by or against the legal representatives of the deceased

partner of the partnership firm. It was held that the well established position in law is that the term 'partners' extends to and would include their legal heirs, representatives, assigns or legatees etc. Persons claiming under the rights of a deceased person are the representatives of the deceased, and therefore, both the parties to the agreement and their legal heirs are entitled to enforce the arbitral award and are bound by it. Since the legal heirs of the deceased partners stepped into the shoes of the deceased, the partnership agreement will operate to bind them. As a consequence, the right to sue for rendition of accounts also survives ensuring that the legal representatives can assert or defend the claims arising from the partnership agreement.

36. From the conspectus of the abovenoted of the Apex Court, the principles governing the proceedings under Sections 8 and 11 of the Arbitration Act, 1996, can be culled out as under [reference : Vidya Drolia (supra)]

> (i) The Court under Sections 8 and 11 of the Arbitration Act, 1996 has no option but to refer the matter to arbitration or to appoint an Arbitrator, unless if a contesting party has established a *prima facie* case of non-existence of a valid arbitration agreement, by summarily portraying a strong case that there is no valid enforceable agreement between the parties in the eye of law.
>
> (ii) The Court shall refer the matter if the validity of the arbitration agreement cannot be determined on a *prima facie* basis, or when any doubt.
>
> (iii) The Scope of jurisdiction of the Court to examine the

prima facie validity of an arbitration agreement includes only : (a) whether the arbitration agreement is in writing?; (b) whether the arbitration agreement is contained in exchange of letters, telecommunications etc.; (c) whether the core contractual ingredients qua the arbitration agreement are fulfilled; and (d) on rare occasions, where the subject-matter of dispute is arbitrable, only in a clear case of deadwood.

(iv) The principles of competence-competence carries positive and negative connotations. The negative effect is that the Courts at the referral stage, are not to decide on merits. *Prima facie* examination is not a full review but a primary first review to weed out manifestly *ex facie* non-existent and invalidate the arbitration agreement and non-arbitral disputes.

(v) Only when the Court is certain that no valid agreement exist or the dispute/subject matter is not arbitrable, the application under Section 8 would be rejected.

(vi) Referral proceedings are preliminary and summary and not a mini-trial.

(vii) Existence of an arbitration agreement means an agreement that meets and satisfies the statutory requirements of both the Arbitration Act and the Contracts Act and when it is enforceable in law.

(viii) Exercise of power of *prima facie* judicial review of existence as including validity of the arbitration agreement is justified, as the referral Court is the first forum that examines and decides the request for the referral. Absolute "hands-off" approach would be counterproductive and harm arbitration, as an alternative dispute resolution mechanism.

(ix) The general rule and principle, in view of the clear legislative mandate clear under the Amendment Act, 3 of 2016 (to the Arbitration Act, 1996, known as 2015 amendment), and on the principle of severability and competence-competence, is that the Arbitral Tribunal is the preferred first authority to determine and decide all questions of non-arbitrability.

(x) Rarely as a demurrer the Court may interfere at Section 8 or Section 11 stage, when it is manifestly and ex facie certain that the arbitration agreement is non-existent, invalid or the disputes are non-arbitrable, though the nature and facet is of non-arbitrability should, to some extent, determine the level and nature of judicial scrutiny.

(xi) The restricted and limited review is to check and protect parties from being forced to arbitrate when the matter is demonstrably "non-arbitrable" and to cut off the deadwood. The Courts while analysing a case under Section 8 may choose to notify the issues which require adjudication pertaining to the validity of the arbitration agreement. If the Court cannot rule on the invalidity of the arbitration agreement on a prima facie basis, then the Court should stop any further analysis and simply refer all the issues to arbitration to be settled.

37. In line with the above principles, considering the facts of this

case, we are required to note that the learned senior counsel for the appellant pressed his arguments only on the premise of Order II Rule 6 of the Code of Civil Procedure to submit that since some of the reliefs prayed in the suit are pertaining to the dissolution of partnership firm and rendition of accounts and the plaintiffs are heirs and legal representatives of deceased partner, the trial court was required to bifurcate the reliefs and refer the dispute to arbitration in so far as the claim of dissolution of partnership firm and rendition of accounts. For the rest of the reliefs pertaining to the recovery of the loan tendered by the plaintiffs to the partnership firm, the same can very well be looked into and adjudicated within the claim of dissolution in view of Section 48 of the Indian Partnership Act, 1932, which provides the mode of settlement of accounts between the partners, i.e. rendition of accounts of the partnership firm.

38. Inviting attention of the Court to Section 48(b)(i), it was submitted that the assets of the partnership firm, including any sums contributed by the partners to make up deficiencies of capital, shall be applied in paying the debts of firm to the third parties. Hence, the claim of the plaintiff for recovery of loan extended to the partnership firm which is actually the debts of the partnership firm, would have to be paid at the time of rendition of the accounts between the partners only. Moreover, the plaintiff having stepped into the shoes of one of the partner, may be required to contribute to make up the deficiencies of capital, if any, in their capacity as a legal representatives of the deceased partner, to pay the debt of the firm to the third party, as sought to be recovered in the suit.

39. The submission, thus is that, in this view of the matter, the

relief of recovery sought by the plaintiff in the suit can very well be claimed, adjudicated and settled during the course of arbitration in the process of dissolution and rendition of accounts of the partnership firm as per Section 48 of the Indian Partnership Act, 1932. It was, thus, vehemently submitted by the learned senior counsel for the appellant that all the reliefs claimed in the suit including the recovery of loan, dissolution of partnership firm and rendition of accounts between the partners, are inextricably linked to each other. Unless and until, the partnership firm is dissolved and the accounts are settled between the surviving partners and the claim of deceased partner, the money given to the partnership firm by the plaintiffs in their own capacity cannot be paid.

40. Keeping this in mind, we may require to take note of the contents of the plaint itself. A perusal of the plaint of the Commercial Civil Suit No. 638 of 2024, shows that the categorical statements of the plaintiffs are as under :-

(a) A partnership deed dated 10.03.2010 was executed between the defendant No.1 and their predecessor namely late Shri Hitesh Hasmukhbhai Trivedi. The deceased partner and the defendant No.1 were equal (50% each) partners in the profit and loss of the firm.

(b) Vide deed dated 23.06.2015, the defendant No.2 came to be inducted and under the reconstituted partnership firm, the share of the deceased partner and the defendant No.1 was reduced to 45%, as defendant No.2 was inducted at 10% share.

(c) The plaintiffs are legal heirs and legal representatives of Shri Hitesh Hasmukhbhai Trivedi who died on 18.05.2021.

(d) The specific claim of the plaintiffs (four in number) in the suit is that during the life time of Shri Hitesh Hasmukhbhai Trivedi (partner), plaintiff Nos. 1 to 4 had given loans to the partnership firm of different amounts and all the said loans were acknowledged by the firm and its partners in their signed and audited balancesheet of the partnership firm in the financial year 2021-2022.

(e) Besides that, after death of Shri Hitesh Hasmukhbhai Trivedi who was 45% partnership of the partnership firm, the rest of the partners, namely the defendant Nos. 1 and 2 have not taken any step to dissolve and wind up the partnership firm to settle the accounts of the deceased partner and have continued to use and siphon off the capital and the goodwill, as well as the share in the profit of late partner.

(f) Moreover, the defendant inspite of a notice issued to them, have refused to pay the loan given by the plaintiffs to the partnership firm. The reliefs, as prayed in the suit, are under :-

> "A. That this Hon'ble Court may be pleased to award to the plaintiff no. 1 and from the defendants an amount of Rs. 39,54,000/- towards the repayment of the outstanding loan that the plaintiff no. 1 had given to the firm of M/s. Team Engineers.
>
> B. That this Hon'ble Court may be pleased to award to the plaintiff no. 2 and from the defendants an amount of Rs. 2,00,000/- towards the repayment of the outstanding loan that the plaintiff no. 2 had given to the firm of M/s. Team Engineers.
>
> C. That this Hon'ble Court may be pleased to award to the plaintiff no. 3 and from the defendants an amount of Rs. 1,00,000/- towards the repayment of the outstanding loan that the plaintiff no 3 had given to the firm of M/s. Team Engineers.
>
> D. That this Hon'ble Court may be pleased to award to the plaintiff no. 4 and from the defendants an amount of Rs. 17,24,200/-

towards the repayment of the outstanding loan that the plaintiff no.4 had given to the firm of M/s. Team Engineer.

E. That this Hon'ble Court may be pleased to award to the plaintiffs and from the defendants an amount of Rs. 39,180/- towards the loan given by Late Shri Hitesh Hasmukhbhai Trivedi to the firm of M/s. Team Engineers.

F. That this Hon'ble Court may be pleased to award to the plaintiffs and from the defendants an amount of Rs. 1,42,13,920.97 towards the capital contribution made by Late Shri Hitesh Hasmukhbhai Trivedi.

G. That this Hon'ble Court may further be pleased to dissolve and wind up the affairs and business of the partnership firm of M/s. Team Engineers and may further be pleased to have the assets and goodwill and receivables and profit of the said partnership firm of M/s. Team Engineers valued as on the date of death of Late Shri Hitesh Hasmukhbhai Trivedi and may direct the defendant to give to the plaintiffs 45% share of the funds, assets and goodwill and receivables and profit of the said partnership firm of M/s. Team Engineers as on the date of death of Late Shri Hitesh Hasmukhbhai Trivedi.

H.That this Hon'ble Court may be pleased to award interest at the rate of 18% p.a. on the aforesaid amounts from the date of accrual till realisation.

I. That this Hon'ble Court may be pleased to award costs in favour of the plaintiff and against the defendant.

J. For such other and further relief as may be deemed fit in the facts of the present case."

41. Having perused the claims and the reliefs sought by the plaintiff in the suit, it may be seen that while relief for recovery of loan given by the plaintiffs to the partnership firm during the lifetime of the deceased partner late Shri Hitesh Hasmukhbhai Trivedi was claimed in the suit, the prayer clause(G) in para No. '18' also requires the Court to dissolve and windup affairs and business of the partnership firm and rendition of accounts of the partnership,

42. In these facts of the present case, the question is as to

whether the reliefs prayed in the suit can be bifurcated so as to refer the plaintiff to arbitration under Section 8, for the relief(g) in prayer clause 18 with regard to dissolution and winding up of the affairs and business of the partnership firm and rendition of accounts, which is admittedly covered by the arbitration clause of the partnership deed, to which the deceased predecessor of the plaintiffs was signatory. There is also no dispute about the fact that the plaintiffs having stepped into the shoes of the deceased partner as his legal representatives will be bound by the partnership agreement and can assert or defend such claims arising from the partnership agreement, which contains an arbitration clause.

43. However, the question is where the reliefs, claimed in the suit, which are inextricably linked, can be bifurcated so as to relegate the plaintiffs to arbitration for the dissolution of the partnership firm and rendition of accounts; and maintaining the suit for recovery of loan extended to the partnership firm. Another question before us is as to whether there exists any arbitration agreement between the plaintiffs and the defendants with respect to the relief of recovery of loan.

44. Analysing the facts of this case, we find that the plaintiffs though are to be held being bound by the arbitration agreement contained in the partnership deed and they have a legal right to sue for rendition of accounts of partnership firm, which survives on them as legal representatives of a deceased partner and are also entitled to invoke the arbitration clause containing in the partnership deed, but the fact remains that there is no agreement at all between the plaintiffs and the defendants in so far as the reliefs pertaining to the recovery of the outstanding loan against

the partnership firm. The plaintiffs' claim is that they have extended loan to the partnership firm in their individual capacity during the life time of deceased partner and they are entitled for recovery of the loan from the defendants, the surviving partners to the firm. Further, since the settlement of loan of the partnership firm would also require dissolution of the partnership firm and rendition of accounts, we find that both the issues being inextricably linked to each other have to be claimed in one suit/proceedings.

45. The present is not a case where the plaintiffs can be said to have joined difference causes of action just to avoid or defeat the arbitration clause. The cause of action for recovery of loan, being not covered by the arbitration clause, the dispute cannot be referred to arbitration for the relief of recovery of loan extended by the plaintiffs in their own individual capacity during the lifetime of deceased partner, their predecessor. Further, as the entire dispute forming the subject-matter of suit is not governed by the arbitration agreement and the reliefs claimed against the defendants are inextricably interlinked and are incapable of piecemeal adjudication, the argument of the learned senior counsel for the appellant that the Court should refer the parties to arbitration under Section 8, cannot be sustained.

46. The submissions seeking bifurcation of the cause of action based on the decision of the Bombay High Court in **Taru Meghani (supra)** and of Calcutta High Court in **Lindsay International Private Ltd. (supra)**, on the strength of Order II Rule 6 of CPC, cannot be appreciated. In the facts and circumstances of the present case, it cannot be assumed that the plaint has been prepared with the object of avoiding the arbitration agreement

incorporated in the partnership deed between the deceased partner and the defendants herein. The plaintiffs having instituted the suit in their individual capacity for recovery of loan extended by them, cannot be said to be bound by the arbitration agreement contained in the partnership deed signed by their predecessor as partner to seek relief of recovery of loan. The arguments of settlement of accounts as per Section 48 of the Indian Partnership Act, 1932 made by the learned senior counsel for the appellant are neither here nor there, as it could not be argued that the respondents/plaintiffs can file statement of claim to seek recovery of loan before the Arbitrator.

47. In the instant case, the Commercial Court cannot be said to have erred in holding that the suit contains multiple reliefs and the relief of recovery of the loan amount given by the plaintiffs to the partnership firm is not embedded in the agreement of the partnership deed, as such, cannot be said to be an arbitrable issue, which can be adjudicated by the Arbitrator. We further find that there is no doubt about the non-existence of the arbitration agreement between the parties for the reliefs claimed in the suit for recovery of loan and that the relief of dissolution of partnership firm and rendition of accounts though governed by the arbitration agreement contained in the partnership deed, cannot be separated and incapable of piecemeal adjudication, being inextricably interlinked with the relief of recovery of the loan. The plea of bifurcation of causes of action, if accepted, would lead to an incongruous situation, which may create the risk of conflicting decisions, delay the proceedings, increase litigation cost and cause harassment to the parties. When multiple causes of action which are inextricably interlinked, are joined in one suit against the same defendants, invocation of Order II Rule 6 seeking for separation of

trials on the aforesaid grounds, is a misconceived argument and hence, rejected.

48. None of the two decisions of the Bombay High Court in **Taru Meghani (supra)** and of Calcutta High Court in **Lindsay International Private Ltd. (supra)** heavily relied on by the learned senior advocate for the appellant, are applicable in the facts and circumstances of the present case.

49. In the peculiar facts and circumstances of the present case, no infirmity can be attached to the order of the trial court. The appeal is dismissed being devoid of merits. The Civil Application for stay stands disposed of. No order as to costs.

50. It is made clear that this judgment has been rendered in the peculiar facts and circumstances of the present case, and cannot be treated as a binding precedent in any other matter or should not even be a guidance on the question of law about the scope of Section 8 of the Arbitration and Conciliation Act, 1996. The District Courts in the State of Gujarat shall apply appropriate caution in referring this judgment in the cases before them.

..

(SUNITA AGARWAL, CJ)

(D.N.RAY,J)

C.M. JOSHI