

A

## CHARAN SINGH AND ORS.

v.

## BABULAL AND ORS.

B

March 25, 1966

[K. N. WANCHOO, J. C. SHAH AND S. M. SIKRI, JJ.]

*Uttar Pradesh Consolidation of Holdings Act (5 of 1954), ss. 12 & 37—Modification of award by Civil Judge—If Appealable under s. 39 of the Arbitration Act (10 of 1940).*

C

During consolidation proceedings in a village, under the Uttar Pradesh Consolidation of Holdings Act, 1954, a question of title arose, and the Consolidation Officer referred the question to the Civil Judge who referred it to an arbitrator appointed under s. 37 of the Act. The Arbitrator submitted his award to the Court. The appellants filed objections under s. 15 of the Arbitration Act, 1940, and the Civil Judge modified the award. On appeal by the respondents, the District Court held that the appeal was maintainable and that the Civil Judge was not justified in modifying the award. A revision petition to the High Court filed by the appellants was dismissed.

D

In appeal to this Court, it was contended that s. 39 of the Arbitration Act, which provides for appeals does not apply to arbitrations under s. 37 of the U.P. Act.

HELD: The decision of the Civil Judge modifying the award was appealable under s. 39 of the Arbitration Act. [67 A].

E

The effect of s. 37 of the U.P. Act read with ss. 46 and 47 of the Arbitration Act is, to apply ss. 15 and 39 of the Arbitration Act to the proceedings under the U.P. Act; and under s. 12(5) of the U.P. Act what is made final is the decision of the arbitrator as it emerges after appropriate proceedings, under the provisions of the Arbitration Act. [65 G-H; 66 H].

F

*Carju Prasad v. Civil Judge, Farrukhabad*, I.L.R. [1959] 1 All-354 and *Sayed Ulla Khan v. The Temporary Civil Judge, Sultanpur*, A.I.R. 1959 All 331, approved.

*Attar Singh v. State of U.P.* [1959] Supp. 1 S.C.R. 928, explained.

CIVIL APPELLATE JURISDICTION: Civil Appeal No. 76 of 1964.

G

Appeal by special leave from the judgment and order dated the October 26, 1960 of the Allahabad High Court in Civil Revision No. 1209 of 1957.

*J. P. Goyal*, for the appellants.

*O. P. Rana*, for the respondents.

The Judgment of the Court was delivered by

H

**Sikri, J.** This appeal by special leave is directed against the judgment of Dhavan, J., in Civil Revision No. 1209 of 1957. The

learned Judge, following *Sarju Prasad v. Civil Judge, Farrukhabad*<sup>(1)</sup> held that an order of the Court on an objection against an award made under s. 12(4) of the Uttar Pradesh Consolidation of Holdings Act (U.P. Act V of 1954) (hereinafter called the Act) was appealable under s. 39 of the Arbitration Act (X of 1940) Mr. J. P. Goyal, learned counsel for the appellant urges that this decision of the Allahabad High Court is wrong.

In order to appreciate the contentions of Mr. Goyal, it is necessary to give a few facts and set out the relevant statutory provisions. During consolidation proceedings in village Dhara-ki-Garhi, a question of title arose. The Consolidation Officer, acting under s. 12(4) of the Act, referred the question of title to the Civil Judge, Aligarh, who referred the same to the arbitrator, Shri Vikram Singh, who had been appointed under s. 37 of the Act. Section 12(4) reads as under:

“12(4) Where the objection filed under sub-section (1) involves a question of title and such question has not already been determined by a competent Court, the Consolidation Officer shall refer the question for determination to the Civil Judge having jurisdiction who shall thereupon refer it to the Arbitrator.”

Section 37 provides:

“37. Arbitration—(1) Where any matter is, by or under this Act, directed to be referred to an Arbitrator for determination, the Arbitrator will be appointed by the State Government from amongst Civil Judicial Officers or Assistant Collector of the 1 class of not less than five years' standing and in all other respects the matter shall be determined in accordance with the provisions of the Arbitration Act, 1940.

(2) The appointment of an Arbitrator under sub-section (1) may be made either generally or in respect of any particular case or class of cases or in respect of any specified area or areas.”

The arbitrator gave his award on May 14, 1956, and submitted the same to the Civil Court for final decision. On May 19, 1956, Charan Singh, Dungar Singh, Maharaj Singh and Lajja Ram, appellants before us, filed objections before the Civil Judge, Aligarh. The Civil Judge, on September 8, 1956, modified the award dated May 14, 1956. Babu Lal, Mohar Singh and Ram Piyari filed an appeal before the District Judge against the order of the Civil Judge, dated September 8, 1956. Before the District Judge, a preliminary objection was raised that no appeal lay

(1) I.L.R. [1959] 1 All. 354.

A against the order of the Civil Judge. The District Judge over-  
ruled the objection. On the merits, the District Judge held that  
the Civil Judge was not justified, under s. 15 of the Arbitration  
Act, in modifying the award merely because he disagreed with the  
finding. He, therefore, allowed the appeal and set aside the order  
of the Civil Judge modifying the award, and the award announced  
B by Shri Vikram Singh was accepted.

Charan Singh, Maharaj Singh, Doonger Singh and Lajja Ram  
filed a petition before the High Court under s. 115 of the Civil  
Procedure Code. As stated above, Dhavan, J., dismissed the  
petition on the ground that an appeal lay under s. 39 of the Arbi-  
tration Act. This Court granted special leave and now the matter  
C is before us.

Mr. Goyal contends that s. 37 of the Act applies the provi-  
sions of the Arbitration Act only as far as procedure is concerned,  
and s. 39 of the Arbitration Act which provides for appeals does  
not apply to arbitrations referred to in s. 37 of the Act. He relies  
strongly on s. 12(6) of the Act which provides that the decision  
of the arbitrator under sub-s. (4) shall be final. We have already  
set out s. 12(4). He, however, does not contend that the provi-  
sions of s. 15 of the Arbitration Act do not apply because the  
appellants had apparently applied under s. 15 of the Arbitration  
Act to the Court to modify the award made by Vikram Singh and  
they had succeeded in getting an order modifying the award in  
their favour.  
D

In our opinion, the High Court arrived at the correct con-  
clusion in *Sarju Prasad v. Civil Judge, Farrukhbad*<sup>(1)</sup> and  
*Sayeed Ullah Khan v. The Temporary Civil Judge of Sultanpur*.<sup>(2)</sup>  
Section 12(4) of the Act provides for a statutory arbitration and  
s. 37 of the Act provides for the appointment of an arbitrator by  
the State Government. It seems to us that apart from the ques-  
tion of appointment of the arbitrator, in all other respects the mat-  
ter referred to, *i.e.* the question of title referred to under s. 12(4),  
shall be determined in accordance with the provisions of the Arbi-  
tration Act. Section 37 of the Act does not make any distinction  
between provisions like s. 39 and s. 15 of the Arbitration Act.  
Further, the effect of s. 46 and s. 47 of the Arbitration Act is that  
all the provisions of the Arbitration Act except sub-section (1) of  
section 6, ss. 7, 12, 36 and 37, apply to arbitrations under the  
Consolidation of Holdings Act. Section 37 of the Act cannot be  
held as providing anything inconsistent with this. In our opinion,  
the effect of s. 37 of the Act, read with ss. 46 and 47 of the Arbi-  
tration Act, is *inter alia* to apply ss. 15 and 39 of the Arbitration  
Act to the proceedings under the Act. It is not necessary to rely  
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(1) I.L.R. (1959) 1 All. 354.

(2) I.L.R. (1959) 1 All. 331.

on rr. 63 and 64 of the Uttar Pradesh Consolidation of Holdings Rules, 1954, but we may mention that they proceed on the basis that ss. 15, 16 and 30 of the Arbitration Act apply to the arbitration proceedings under the Act.

Mr. Goyal then urges that this Court in the case of *Attar Singh v. The State of U.P.*(<sup>1</sup>) understood s. 37 of the Act to mean that it makes the Arbitration Act applicable to the proceedings before the arbitrator in the matter of procedure only. It is true that at p. 935 of the judgment, Wanchoo, J., observed:

“Further s. 12 provides that where there is a dispute as to title and such question has not already been determined by any competent Court, the Consolidation Officer has to refer the question for determination to the Civil Judge who thereafter will refer it to the arbitrator. The arbitrator then proceeds in the manner provided by r. 73 (*sic* 63) and gives a hearing to the parties and takes evidence both oral and documentary before making his award; and s. 37 of the Act makes the Arbitration Act applicable to the proceedings before the arbitrator in the matter of procedure.”

We are unable to agree with Mr. Goyal that this passage in any manner decides the point which is before us. This Court in *Attar Singh's*(<sup>1</sup>) case was concerned with the validity of the Act, and ground No. 2 which was urged before the Court was:

“Sections 8, 9 and 10 read with s. 49 of the Act provide a procedure for the correction and revision of revenue records for villages under consolidation, which is vitally different from that applicable to villages not under consolidation, and there is thus discrimination which offends art. 14 of the Constitution.”

In dealing with this ground, Wanchoo, J., made the observations which have been set out above. There was no question there of considering the effect of ss. 46 and 47 of the Arbitration Act, or considering whether s. 39 of the Arbitration Act applies to arbitrations under s. 12(4) of the Act.

Mr. Goyal also laid a great deal of emphasis on s. 12(6) of the Act which provides that the decision of the arbitrator under sub-s. (4) shall be final. In our opinion, s. 12(6) must be read with s. 37 of the Act, and if it is so read it is quite clear that what is made final is the decision of the arbitrator as it emerges after appropriate proceedings, if any, have been taken under the provisions of the Arbitration Act.

(<sup>1</sup>) [1959] Supp. 1 SCR 923.

**A**

In the result we hold that the High Court is right in holding that the decision of the Civil Judge modifying the award was appealable under s. 39 of the Arbitration Act. The appeal accordingly fails and is dismissed with costs.

**B**

*Appeal dismissed.*