

2023 LiveLaw (SC) 325

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
KRISHNA MURARI; J., SANJAY KAROL; J.
18 April 2023**

Narsi Creation Pvt. Ltd. and Anr. versus State of Uttar Pradesh and Ors.

Arbitration and Conciliation Act, 1996 - Supreme Court has reiterated that the courts ought not to normally interfere with the arbitral proceedings, especially till the time an arbitral award is not passed - The top court has deprecated the practice of filing applications in disposed of Special Leave Petitions (SLPs) in order to side-step the arbitration process, adding that the said applications must not be entertained by the court.

Miscellaneous Application Nos. 819-820 of 2018 with Interlocutory Application Nos. 35840 & 35841 of 2018 With Interlocutory Application Nos. 175463 & I.A. D.No.175464 of 2018 With Interlocutory Application Nos. 82238 & 83040 of 2022 In Special Leave Petition (Civil) Nos.15142-15143 of 2012)

For Petitioner(s) Mr. Joel, AOR Mr. Shaquir Ali, Adv. Mr. Neeraj Matta, Adv.

For Respondent(s) Mr. Sudhir Kulshreshtha, AOR Mr. Vishwajit Singh, Sr. Adv. Mr. Abhishek Kumar Singh, AOR Mr. Vignesh Singh, Adv. Mrs. Ridhima Singh, Adv. Mr. Pankaj Singh, Adv. Ms. Pallavi Baghel, Adv. Ms. Anamika Yadav, Adv. Mr. Ankur S. Kulkarni, AOR

J U D G M E N T

KRISHNA MURARI, J.

The present applications have been filed in a Special Leave Petition, which was disposed of by this Court by way of an order dated 24.08.2012. While disposing of the matter, a direction was issued for the same to be referred to arbitration as stipulated in the MoU entered between the parties. In the same order, a further direction was also issued by this Court to maintain status quo till the Arbitrators entered reference.

2. Subsequently, as per the directions of this Court, the arbitration proceedings commenced, and notice was issued to all the parties involved. Despite notice being served to the applicant herein, they did not appear before the Ld. Tribunal, and hence the arbitration proceedings commenced without its presence.

3. Further, during the arbitration proceedings, the Ld. Tribunal passed an order on 22.02.2015 for maintaining status quo till the disposal of the said matter, and despite the counsel for the applicant being present in the said proceedings, raised no objection to the same.

4. The applicant now, after a lapse of several years, through the present applications, is seeking to vacate the status quo granted by the tribunal, and further vacate the rights of the SLP petitioner with respect to the disputed project.

5. We have heard the learned counsel for the parties in great detail.

6. In the present case at hand, the reliefs sought by the applicant through the present applications are issues that are already pending adjudication before the Arbitral Tribunal, and no award has been passed regarding the same as of now. The provisions of the Arbitration and Conciliation Act, 1996, as well as a catena of judicial pronouncements of this Court have time and again stated that the courts normally ought not interfere with arbitral proceedings, especially till the time an award is not passed.

7. We are further of the opinion that this practice of filing applications in disposed of SLPs in order to side-step the arbitration process should be discouraged, and such applications must not be entertained by this Court.

8. In light of the abovementioned discussion, the Miscellaneous Application and pending IAs stand dismissed. The Parties are at liberty to raise all issues on merits before the Ld. Arbitral Tribunal which will adjudicate the same in accordance with law. The Parties are further directed to appear before the Ld. Tribunal and place a copy of this order before the tribunal for resumption of the arbitration proceedings. Status-Quo as directed by the Aribtral Tribunal vide order dated 22.05.2015 to be maintained by the parties till the matter is disposed of by the Ld. Tribunal.

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