

Section 13 Of Commercial Courts Act Does Not Confer An Independent Right Of Appeal Beyond The Self-Contained Provisions Of The Arbitration Act

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Introduction

The judgment in *Synergies Casting Ltd. v. National Research Development Corporation* [2025 DHC 133 DB], rendered by the Delhi High Court, is an important ruling that addresses questions regarding the interplay between the Arbitration and Conciliation Act, 1996 ("**Arbitration Act**"), the Commercial Courts Act, 2015, and other procedural laws such as the Code of Civil Procedure, 1908 ("**CPC**"). This case not only reinforces the self-contained nature of the Arbitration Act but also seeks to ensure that the legislative intent behind promoting arbitration as an efficient dispute resolution mechanism is not undermined by procedural ambiguities. In this article, we navigate through the facts, and the findings of the High Court in the matter.

Facts

The genesis of the dispute lies in an arbitral award rendered in favour of the respondents which includes the National Research Development Corporation ("**NRDC**"). The appellant, Synergies Casting Ltd., dissatisfied with the arbitral award, filed a challenge under Section 34 of the Arbitration Act before the Delhi High Court. In the proceedings under Section 34 of the Arbitration Act, the Single Judge issued an interim order directing the appellant to deposit the principal amount of the award with the Registrar General of the High Court within eight weeks, failing which the execution of the award would proceed unhindered.

Aggrieved by this interim order, the appellant sought to file an appeal under Section 13 of the Commercial Courts Act, 2015, read in conjunction with Order 43 Rule 1 of the CPC and Section 10 of the Delhi High Court Act, 1966. The primary issue before the Division Bench of the Delhi High Court was whether the appeal was maintainable within the confines of the Arbitration Act.

Arguments by the Appellant

1. The appellant argued that the appeal fell squarely within the ambit of Section 13 of the Commercial Courts Act, 2015. It contended that this section provides a general right to appeal against orders passed by the Commercial Division of a High Court.
2. Citing Order 43 Rule 1 of the CPC, the appellant maintained that the interim order qualified as an appealable order under the CPC and, by extension, under the Commercial Courts Act. Furthermore, the appellant sought to invoke the appellate jurisdiction granted under Section 10 of the Delhi High Court Act, 1966.
3. The appellant attempted to argue that the procedural statutes must be interpreted harmoniously with the Arbitration Act to allow parties a broader avenue for appeal, especially in cases where interim directions could significantly affect the rights of the parties.

Findings of the High Court

The Division Bench of the High Court systematically examined the submissions and rejected the appellant's arguments. The analysis of the High Court can be summarised as follows:

1. **On the Self-Contained Framework of the Arbitration Act:** The High Court emphasised on the principle that the Arbitration Act is a comprehensive and exhaustive code governing arbitration in India. Citing the Supreme Court's rulings in *Furest Day Lawson Ltd. v. Jindal Exports Ltd.* [(2011) 8 SCC 333] and *Kandla Export Corporation v. OCI Corporation* [(2018) 1 SCC 715], the High Court reiterated that appeals not expressly provided for under Section 37 of the Arbitration Act are not maintainable. The Arbitration Act's design, the High Court noted, reflects a legislative intent to minimise judicial interference in arbitration proceedings.
2. **On the Interpretation of Section 37 of the Arbitration Act:** The High Court emphasised that Section 37 explicitly limits the scope of appealable orders to those that either (i) grant or refuse a request to refer parties to arbitration, (ii) confirm or deny interim measures, or (iii) set aside or refuse to set aside an arbitral award. Since the impugned order merely directed the deposit of the awarded amount without adjudicating the merits of the arbitral award, it did not fall within these categories.
3. **On the Limited Scope of the Commercial Courts Act:** While acknowledging that the Commercial Courts Act provides for appellate forums, the High Court clarified that it does not create new rights of appeal. The inclusion of arbitration-specific provisions within the Commercial Courts Act was viewed as an expression of caution, rather than an attempt to override the specific limitations imposed by the Arbitration Act.

Relying on the Supreme Court's decision in *BGS SGS Soma JV v. NHPC Ltd.* [(2020) 4 SCC 234], the High Court held that procedural laws such as the CPC and the Commercial Courts Act cannot override the special provisions of the Arbitration Act. The principle of harmonious construction, the High Court observed, must ensure that the purpose of the Arbitration Act is upheld.

In conclusion, the High Court found the appeal to be non-maintainable and dismissed it accordingly.

Comment

The judgment sheds light on the critical distinction between statutes catering to general procedure, and substantive law specifically codified to govern a particular subject. The High Court's insistence on adhering to the specific provisions of the Arbitration Act ensures that arbitration remains a preferred mode of dispute resolution, free from unnecessary judicial interference. In a broader context, the judgment contributes to India's arbitration jurisprudence by harmonising the objectives of various statutes and promoting a pro-arbitration environment.

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