2025 INSC 1021

REPORTABLE

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 10970 OF 2025

[Arising out of Special Leave Petition (Civil) No. 8348 of 2021]

GEOJIT FINANCIAL SERVICES LTD. ...APPELLANTS

VERSUS

SANDEEP GURAV ...RESPONDENT(S)

O R D E R

1. Leave granted.

2. The respondent although served with the notice issued by this Court yet has chosen not to remain present before this Court either in-person or through an advocate and oppose this appeal.

3. This appeal arises from the order passed by the High Court of Judicature at Bombay dated 12.02.2021 in Appeal No.67 of 2019 by which the appeal filed by the appellant herein under Section 37 of the Arbitration and Conciliation Act, 1996 (for short the "**1996 Act**") came to be dismissed on the ground that the appellant had not filed the arbitration petition under Section 34 of the 1996 Act within the period of limitation prescribed therein.

4. Heard Ms. Sanjana Saddy, the learned counsel appearing for the appellant.

5. The learned counsel would submit that the impugned order is in direct conflict with the decision of this Court in the ***M/s. Ved Prakash Mithal and Sons v. Union of India*** reported in **(2018) SCC OnLine SC 3181**. The counsel would argue that in ***Ved Prakash*** (supra) this Court held that the period of limitation for challenging an award would, in terms of Section 34 sub-section (3) of the 1996 Act, commence only from the date on which an application filed under Section 33 of the Act 1996 is disposed of.

6. She would further argue that High Court committed a serious error in holding that the application filed by the appellant herein did not fall within the parameters of Section 33 sub-section (1) of the 1996 Act.

7. She would also argue that the High Court committed an error in holding that the limitation period of three-months would commence from the date of receipt of the arbitration award and not the date of the order dismissing or disposing the application under Section 33 sub-section (1) of the 1996 Act, that was filed by the appellant herein.

8. In such circumstances referred to above, the learned counsel prayed that there being merit in her appeal, the same may be allowed and the impugned order passed by the High Court be set aside and the matter be remanded to the High Court for fresh consideration of the Section 34 application.

RELEVANT PROVISIONS AT PLAY

9. We must first look into the Section 34 of the Act 1996, more particularly sub-section (3) which reads thus: -

> *"**34. Application for setting aside arbitral award.***
> *(3) An application for setting aside may not be made after three months have elapsed from the date on which the party making that application had received the arbitral award or, if a request had been made under section 33, from the date on which that request had been disposed of by the arbitral tribunal:*

Provided that if the Court is satisfied that the applicant was prevented by sufficient cause from making the application within the said period of three months it may entertain the application within a further period of thirty days, but not thereafter."

10. Section 34 sub-section (3) of the 1996 Act, prescribes the period of limitation within which an application for the setting aside of an arbitral award may be filed by a party aggrieved by the award so passed.

11. The 1996 Act being a special law, in view of Section 29 sub-section (2) of the Limitation Act, 1963 the special period of limitation prescribed under Section 34 sub-section (3) for making an application for setting aside the arbitral award as well as for condonation of any delay therein as per the proviso thereto shall prevail.

12. A plain reading of Section 34 sub-section (3) reveals that a limitation period of three-months has been prescribed under the 1996 Act for making such application, however, the manner in which this period has to be computed differs slightly. A careful reading of the provision makes it clear that the computation of the period of limitation for filing such an application is envisaged to operate in two distinct parts or scenarios.

13. The first part provides that, for an application for setting aside an award in terms of Section 34 of the 1996 Act, the period of limitation of three-months

would be computed from the *"date on which the party making that application had received the arbitral award"*. Whereas, the second part of the provision stipulates that where a request was made to the arbitral tribunal under Section 33 of the 1996 Act, the limitation prescribed under the said provision would commence from the date on which such "*request had been disposed of by the arbitral tribunal*".

14. We shall now look into Section 33 of the 1996 Act which reads thus: -

> *"**33. Correction and interpretation of award; additional award.—***
> *(1) Within thirty days from the receipt of the arbitral award, unless another period of time has been agreed upon by the parties—*
>
> > *(a) a party, with notice to the other party, may request the arbitral tribunal to correct any computation errors, any clerical or typographical errors or any other errors of a similar nature occurring in the award;*
> >
> > *(b) if so agreed by the parties, a party, with notice to the other party, may request the arbitral tribunal to give an interpretation of a specific point or part of the award.*
>
> *(2) If the arbitral tribunal considers the request made under sub-section (1) to be justified, it shall make the correction or give the interpretation within thirty days from the receipt of the request and the interpretation shall form part of the arbitral award.*
>
> *(3) The arbitral tribunal may correct any error of the type referred to in clause (a) of sub-section (1), on its own initiative, within thirty days from the date of the arbitral award.*
>
> *(4) Unless otherwise agreed by the parties, a party with notice to the other party, may request, within thirty days from the receipt of the arbitral award, the arbitral tribunal to make an additional*

arbitral award as to claims presented in the arbitral proceedings but omitted from the arbitral award.

(5) If the arbitral tribunal considers the request made under sub-section (4) to be justified, it shall make the additional arbitral award within sixty days from the receipt of such request.

(6) The arbitral tribunal may extend, if necessary, the period of time within which it shall make a correction, give an interpretation or make an additional arbitral award under sub-section (2) or sub-section (5).

(7) Section 31 shall apply to a correction or interpretation of the arbitral award or to an additional arbitral award made under this section."

15. Section 33 deals with requests made to the arbitral tribunal for correction and/or interpretation of the award and also for rendering an additional award. The period provided under Section 33 of the 1996 Act for making a request for the purposes indicated above is thirty-days from the date of receipt of the arbitral award unless another timeframe is agreed upon by the parties. Under sub-section (2) of Section 33 of the 1996 Act, the arbitral tribunal is vested with the power to consider such request made under sub-section (1) of Section 33 of the 1996 Act, and for this purpose, it has been accorded thirty-days from the date of receipt of such request. Under sub-section (3) of Section 33 of the 1996 Act, the arbitral tribunal has also been conferred *suo motu* powers for correcting errors of the type referred to in Section 33 sub-section (1) clause (a) of the 1996 Act *qua* which as well, the timeframe fixed is thirty-days, commencing from the date when the arbitral award is rendered.

16. Besides this, as indicated above, the arbitral tribunal under Section 33 of the 1996 Act is also empowered to render an additional award concerning claims presented in arbitral proceedings that were not considered in the arbitral award, albeit, at the request of a party made within thirty-days of receipt of the arbitral award. However, the party interested in the additional award being rendered is required to give notice to the opposite party. For the arbitral tribunal to make an additional award upon such request, a timeframe of sixty-days from the date when such request is made has been prescribed by Section 33 sub-section (4), as opposed to the period of thirty-days under sub-section (2) that has been prescribed for correction and/or interpretation of the award, from the date when such request is made. Section 33 sub-section (6) of the 1996 Act gives power to the arbitral tribunal to extend, if necessary, the period of time within which it shall make a correction, give an interpretation or make an additional award under sub-section (2) or sub-section (5) of the said provision.

17. We may now proceed to look into the decision of this Court in ***Ved Prakash*** (supra). In the said decision, this Court observed as under: -

> *"3. On 11.03.2016, objections and application objecting to the Award was filed under Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act') by the respondent. The only question that arises is whether the*

aforesaid Section 34 application could be said to be within the time mentioned in Section 34(3) of the Act.

4. The learned Additional District Judge, by order dated 30.05.2017, found that the application was time-barred, reasoning that the application should have been made on and from the first date as, in fact, there was no correction made to the Award.

5. The respondent preferred an appeal before the High Court, whereby the learned Single Judge of the High Court, by his judgment dated 10.07.2017, reversed the order of the Additional District Judge stating that as the Section 33 application had been disposed of only on 14.12.2015, the period mentioned in Section 34(3) would start running only from then, in which case, the Section 34 application could be said to be within time.

6. Learned counsel appearing on behalf of the petitioners before us has argued that the expression "disposed" which is mentioned in Section 34(3) would have to be read in consonance with and in harmony with Section 33. So read, this would only mean where some positive step has, in fact, taken place under Section 33 and the Award is either corrected or modified. This could not possibly refer to an Award which is not ultimately corrected or modified and the application under Section 33 is merely dismissed. For this, he relies upon the judgment of a Single Judge of the Bombay High Court in the case of Amit Suryakant Lunavat v. Kotak Securities, Mumbai reported in 2010 (6) Mh.L.J. 764. The learned Single Judge held:

> *"13. There is no justification, as contended, to accept the submission in view of the mandate of section 34 and considering the scheme and purpose of the Arbitration Act that because the application under section 33 of the Act was filed and it was rejected subsequently, therefore, the limitation period commenced afresh from the date of such decision of the award. In my view, it is contemplated only on a situation where the Arbitrator corrects or interprets and/or add or decide to add any additional claims and modified the award as only in such cases the original award looses its originality and therefore an application for setting aside the award needs to be filed within three months*

from the date of receipt of such corrected or modified award. Therefore, the party who received the award after deciding the application under section 34(3) of the Act, may get the benefit of fresh commencement of limitation from the receipt of the modified and/or corrected award and not otherwise."

7. We are of the view that the judgment of the Bombay High Court does not reflect the correct position in law. Section 34(3) specifically speaks of the date on which a request under Section 33 has been "disposed of" by the Arbitral Tribunal.

8. We are also of the view that a "disposal" of the application can be either by allowing it or dismissing it. On this short ground, in our opinion, the learned Single Judge of the Delhi High Court is correct in law."

(Emphasis supplied)

18. This Court in ***Ved Prakash*** (supra) after examining Section(s) 33 and 34 sub-section (3) of the 1996 Act, held that it is the date of disposal of the application under Section 33 of the 1996 Act that would earmark the starting point of limitation for filing an application for setting aside of an award in terms of Section 34 of the 1996 Act.

19. The ratio laid down in ***Ved Prakash*** (supra) found favour and was reiterated by this Court in ***USS Alliance v. State of U.P.,*** reported in **2023 SCC OnLine SC 778**. This Court explained that the reason behind saying that the period of limitation for the purpose of Section 34 sub-section (3) of the 1996 Act commences from the date of disposal of the application under Section 33 is that once the arbitral award has been amended or corrected it is the corrected

award which has to be challenged and not the original award as the original award stands modified, with only the corrected award being the binding award standing between the parties that must be challenged by filing objections. The relevant observations read as under: -

> "2. In our opinion, looking at the purpose and object behind Section 34 (3) of the Act, which is to enable the parties to study, examine and understand the award, thereupon, if the party chooses and is advised, draft and file objections *within* the time specified, the starting point for the limitation in case of suo moto correction of the award, would be the date on which the correction was made and the corrected award is received by the party. Once the arbitral award has been amended or corrected, it is the corrected award which has to be challenged and not the original award. The original award stands modified, and the corrected award must be challenged by filing objections."
>
> (emphasis supplied)

IMPUGNED ORDER

20. The impugned order of the High Court in our opinion does not reflect the correct position of law. The plain reading of Section 34 sub-section (3) of the 1996 Act, referred to above, would indicate that the same speaks of the date on which a request under Section 33 has been "disposed of" by the Arbitral Tribunal.

21. It appears on plain reading of the impugned order passed by the High Court that it proceeded on the footing that the application filed by the appellant

herein was not falling within the parameters of Section 33 sub-section (1) of the 1996 Act and, therefore, it is not open for the appellant to place reliance on the date of disposal of such application for the purpose of computation of limitation in terms of Section 34 sub-section (3) of the 1996 Act.

22. The High Court observed in paras 19, 20, 21 and 22 respectively as under: -

> *"19. It is not in dispute that the appellant had filed an application within 30 days from the date of receipt of the copy of the award from the Appellate Bench of the Arbitral Tribunal. The question which arose for consideration of the learned Single Judge and also before this Court was whether the said application dated 8th August, 2016 filed by the appellant was within the parameters of Section 33(1) of the said Act.*
>
> *20. In our view, since the said application filed by the appellant was seeking review of the impugned award rendered by the Appellate Bench of the Arbitral Tribunal on merits, it was not within the parameters of Section 33 (1) of the said Act. Such application under Section 33 (1) could be made only in the event on there being any computation of errors or clerical or typographical errors or any other errors of a similar nature occurring in the award. The application under Section 33 could be also maintained if both the parties would have agreed for making an additional arbitral award as to the claims presented in the arbitral proceedings but limited in the arbitral award. The application filed by the appellant was not for correction of any such error specifically prescribed in Section 33 (1) or for an additional award under Section 33 (4) by agreement of both the parties.*
>
> *21. In our view, limitation prescribed under Section 34 (3) of the said Act prescribing a period of three months from the date on which a signed copy of the award was received, would apply to the facts of this case. Since the application filed by the appellant was not within the parameters of Section 33, the period of limitation would not commence from the date of disposal of the said application purportedly filed by the appellant under Section*

33 but would commence from the date of service of signed copy of the award from the Arbitral Tribunal on 13th July, 2016.

22. Since the Petition was not filed by the appellant within a period of three months from the date of service of signed copy of the award dated 13th July, 2016, the learned Single Judge was right in rejecting the Arbitration Petition and consequently the Chamber Summons on the ground that the Arbitration Petition itself was barred by limitation under Section 34 (3) of the said Act."

INTERPLAY BETWEEN SECTION(S) 33 AND 34(3) OF THE 1996 ACT RESPECTIVELY

23. A conjoint reading of Section 33 and Section 34 sub-section (3) of the 1996 Act respectively makes it abundantly clear that the limitation period for preferring an application for setting aside, where a request was made by either party under Section 33 of the 1996 Act, commences from the date when such request made under Section 33 was disposed of by the arbitral tribunal.

24. In a case where the arbitral tribunal considers a request under Section 33 of the 1996 Act, for correction of the award to be justified, the tribunal shall make the correction. In such scenario the aggrieved party has to pray for setting aside the corrected award and not the original award, as the original award stands merged with the corrected award, and it is the latter which is

binding on all parties. The original award ceases to be of any significance, either for enforcement or for the purpose of challenging it in appeal.

25. The natural corollary of the aforesaid is that unless and until a decision on the request under Section 33 of the 1996 Act is made, which may or may not have culminated into any correction or interpretation or rendition of an additional award, there can be no effective occasion for a party otherwise aggrieved by the said award to apply for the setting aside of the same under Section 34 of the 1996 Act.

26. Thus, what is material for the purpose of computation of limitation under Section 34 sub-section (3) of the 1996 Act, where a request was made in terms of Section 33, is not whether such request fell within the purview of the said provision or not, but only the factum that such request was made in the manner delineated under Section 33 i.e., it was made "*within thirty days from the receipt of the arbitral award"* and *"with notice to the other party"*.

27. The aforesaid flows from the reason that once the arbitral award is amended / corrected, it is, for all purposes, in the form of an award itself under Section 31 of the 1996 Act, distinct from the award that was originally passed, prior to the making of such request. It would be this award alone, and not the original award passed prior to the request under Section 33 of the 1996 Act, which has to be challenged.

28. This Court in ***Ved Prakash*** (supra) specifically rejected the contention that that the expression "disposed" mentioned in Section 34 sub-section (3) of the 1996 Act would have to be read in consonance with and in harmony with Section 33. It held that the Section 34 sub-section (3) when read with Section 33 of the 1996 Act, cannot be possibly understood to mean that only in cases where some positive step has, in fact, taken place under Section 33 whereby the award is either corrected or modified, that limitation would then be computed from the date of disposal of the application or request under Section 33 of the 1996 Act. The expression "disposed" used in Section 34 sub-section (3) of the 1996 Act does not merely refer to an award which is ultimately corrected or modified, it refers to all scenarios where after consideration of an application under Section 33 of the 1996 Act, that fulfils the twin conditions of having being made "*within thirty days from the receipt of the arbitral award"* and *"with notice to the other party"*, was disposed by the arbitral tribunal, including scenarios where such application is merely dismissed.

29. If at all the intention of the legislature was that the date of disposal of only those applications under Section 33 of the 1996 Act which culminated into a correction or interpretation of the award or rendition of an additional award, would be of relevance for the purpose of computation of limitation under

Section 34 of sub-section (3), then it would not have used the word "*disposed*" therein, and would have employed the word "*allowed*" instead.

30. The aforesaid may be looked at from one another angle. Even if we assume for a moment, that where an application under Section 33 of the 1996 Act, is not entertained for want of maintainability or for reason of falling beyond the parameters of the provision, the same, in such scenario, would not amount to passing of an award in terms of Section(s) 31 read with 33 of the 1996 Act, and thus there would be no distinct award in existence from what was originally passed by the arbitral tribunal prior to the making of the request under Section 33, even then, the interpretation that found favour with the High Court in the impugned order, to our minds, cannot be regarded to have laid down the correct proposition of law.

31. We say so because, the fundamental cannons of law of limitation demands, as a thumb rule, that any period of commencement and end of limitation should be determinable and ascertainable in an objective parameter. The law of limitation, at least insofar as the computation of the prescribed period of limitation is concerned, cannot be read in a hyper-technical or subjective manner. The same must in most cases, if not always, adorn a formulaic understanding that is comprehendible to the litigants. It however, cannot be tied or made contingent to the ultimate fate of the application under Section 33 of the 1996 Act.

32. In consonance with this principle, it must be said that the reason for dismissal of an application filed under Section 33 of the 1996 Act cannot form a yardstick for determining when limitation would commence. Therefore, as provided in sub-section (3) of Section 34 of the 1996 Act, in a case where a request or an application is made under Section 33 of the 1996 Act, the limitation period to later seek the setting aside of the award can only commence from the date when the application is disposed of, for whatever reasons.

33. We are conscious of the decision of this Court in ***State of Arunachal Pradesh v. Damani Construction Co.*** reported in **(2007) 10 SCC 742**, wherein this Court had purportedly held that where an application filed under Section 33 of the 1996 Act does not fall within any of the criteria stipulated therein, in other words, as stipulated in clauses (a) or (b) of sub-section (1) or sub-section (4), as the case may be, such application would be of no significance, for the purpose of computation of limitation under Section 34 sub-section (3) of the 1996 Act. It held that where any application seeks any correction or modification of an award, which is beyond the scope of what is contemplated under the said provision, such an application would not fall within the purview of Section 33 of the Act, 1996 and even if the arbitral tribunal decides and disposes such an application, the date of disposal of the same

would have no bearing on the computation of limitation under Section 34 sub-section (3) of the 1996 Act. The relevant observations read as under: -

> *"8. Firstly, the letter had been designed not strictly under Section 33 of the Act because under Section 33 of the Act a party can seek certain correction in computation of errors, or clerical or typographical errors or any other errors of a similar nature occurring in the award with notice to the other party or if agreed between the parties, a party may request the Arbitral Tribunal to give an interpretation of a specific point or part of the award. This application which was moved by the appellant does not come within any of the criteria falling under Section 33(1) of the Act. It was designed as if the appellant was seeking review of the award. Since the Tribunal had no power of review on merit, therefore, the application moved by the appellant was wholly misconceived. Secondly, it was prayed whether the payment was to be made directly to the respondent or through the court or that the respondent might be asked to furnish bank guarantee from a nationalised bank as it was an interim award, till final verdict was awaited. Both these prayers in this case were not within the scope of Section 33. Neither review was maintainable nor the prayer which had been made in the application had anything to do with Section 33 of the Act. The prayer was with regard to the mode of payment. When this application does not come within the purview of Section 33 of the Act, the application was totally misconceived and accordingly the arbitrator by communication dated 10-4-2004 replied to the following effect:*
>
> > *"However, for your benefit I may mention here that as per the scheme of the Act of 1996, the issues/claims that have been adjudicated by the interim award dated 12-10-2003 are final and the same issues cannot be gone into once again at the time of passing the final award."*
>
> *9. Therefore, the reply given by the arbitrator does not give any fresh cause of action to the appellant so as to move an application under Section 34(3) of the Act. In fact, when the award dated 12-10-2003 was passed the only option with the appellant was either to have moved an application under Section 34 within three months as required under sub-section (3) of Section 34 or within the extended period of another 30 days. But instead of that a*

totally misconceived application was filed and there too the prayer was for review and with regard to mode of payment. The question of review was totally misconceived as there is no such provision in the Act for review of the award by the arbitrator and the clarification sought for as to the mode of payment is not contemplated under Section 33 of the Act. Therefore, in this background, the application was totally misconceived and the reply sent by the arbitrator does not entitle the appellant a fresh cause of action so as to file an application under Section 34(3) of the Act, taking it as the starting point of limitation from the date of reply given by the arbitrator i.e. 10-4-2004."

(Emphasis supplied)

34. However, we are of the considered opinion that the decision of ***Damani Construction*** (supra) is not applicable and is distinguishable. A close reading of the aforesaid decision would reveal that in the said case, the appellant therein had never formally moved an application under Section 33 of the 1996 Act, but rather had only addressed a letter to the arbitrator, requesting it *inter-alia,* to review the award passed by it and seeking ancillary clarifications which did not concern the contents of the award so passed. It is in this background that this Court in ***Damani Construction*** (supra), in the absence of any formal application or any prayer contemplated under Section 33 of the 1996 Act, refused to treat the letter addressed by the appellant therein as an application thereunder. It however, does not mean that where a party moves an application under Section 33 of the 1996 Act within the limitation period prescribed therein and with notice to the other party, that the same would nevertheless not be treated as an application under the said

provision, merely because what is sought under the guise of 'correction' or 'modification' is outside the ambit of the Section 33. It would still continue to be an application under Section 33 of the 1996 Act for the limited extent of computation of the period of limitation under Section 34, as long as it fulfils the two conditions prescribed under Section 33, as already discussed by us.

CONCLUSION

35. We summarize our conclusion as under: -

(i) Where an application under Section 33 of the 1996 Act has not been filed, the legislature was conscious enough to state that it would be the date of the receipt of the award which would earmark the commencement of limitation for an application for setting aside of an award in terms of Section 34 of the 1996 Act. Whereas, in the case where an application under Section 33 of the 1996 Act has been filed, the legislature was conscious enough to lay down that it would be the date of disposal of such request or application, that would be the starting point for calculation of limitation.

(ii) Where such an application under Section 33 of the 1996 Act is filed, irrespective of whether the arbitral tribunal upon considering such application, either makes or does not make any correction or

modification or choose to render or to not render an additional award in terms of Section 33 of the Act, 1996, the starting point for the period of limitation for challenging the same under Section 34 as per sub-section (3) would be the date of disposal of such application under Section 33 by the arbitral tribunal, as long as the application under Section 33 of the 1996 Act had been filed within the prescribed period of limitation under sub-section (1) thereto **AND** with notice to the other party. Any other interpretation to the contrary, would do violence to plain and unambiguous language used in Section 34 sub-section (3) of the Act, 1996.

(iii) In the aforesaid scenario, neither the date of passing of the original award or date of receipt of the same by the party nor the date of receipt of the corrected award or date of receipt of the decision of the arbitrator disposing the application under Section 33 of the 1996 Act is of any significance. What is of significance, under Section 34 sub-section (3) of the Act, 1996 is the date on which the application or request under Section 33 came to be disposed by the arbitral tribunal.

(iv) In the same breath, where a request is made under Section 33 of the 1996 Act, it is immaterial for the purpose of computation of limitation under Section 34 sub-section (3) whether such request fell within the purview of the said provision or not. What is material is only that such request was made in the manner delineated under Section 33 i.e., it

fulfilled the twin conditions of being made; **(I)** "*within thirty days from the receipt of the arbitral award"* and **(II)** *"with notice to the other party"* stipulated therein.

36. In view of the aforesaid, this appeal succeeds and is hereby allowed.

37. The impugned order passed by the High Court is set aside. The matter is remanded to the High Court for consideration of the appeal on its own merits and in accordance with law.

38. Pending applications, if any, also stand disposed of.

..... J.
(J.B. PARDIWALA)

..... J.
(K.V. VISWANATHAN)

New Delhi;
19th August, 2025