

## JUDGEMENTOPEDIA

(Learning Judgements For A Living)

- Whether parties to an arbitration clause in a commercial contract are bound by its restrictive terms in determining arbitrability of claims under Section 11(6) of the Arbitration and Conciliation Act, 1996?
- Can a Sub-Registrar orally refuse to accept a document for registration?
- Whether the definition of "surviving children" for maternity leave purposes under Rule 43 of the Central Civil Services (Leave) Rules 1972 includes stepchildren for whom Child Care Leave was availed, thereby disentitling a female government servant from maternity leave for her biological child?
- Whether a court can order a company to purchase shares of minority shareholders and reduce its share capital as a remedy for oppression, without following the statutory procedure?



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- Indian Oil Corporation Limited Vs. NCC Limited [Civil Appeal No. 341 of 2022]
- Amir Kumar Darjee Vs. District Sub-Registrar, Bolangir and Anr. [W.P.(C) No.17979 of 2025]
- Deepika Singh Vs. Central

  Administrative Tribunal and Others.

  [Civil Appeal No 5308 of 2022]
- Cosmosteels Private Ltd. Vs. Jairam Das Gupta & Ors. [1978 AIR 375]

# Whether parties to an arbitration clause in a commercial contract are bound by its restrictive terms in determining arbitrability of claims under Section 11(6) of the Arbitration and Conciliation Act, 1996?

**CONTEXT:** IOCL awarded NCC Limited a piping works contract, which was delayed. NCC Limited submitted a final bill with "Notified Claims," later offering to withdraw them if specific conditions for Extension of Time (EOT) and price adjustment were met. IOCL partially accepted these conditions, applying a 4% price adjustment, and released payment. NCC Limited subsequently alleged coercion and invoked arbitration, stating its claims remained valid as the conditional offer was not fully met. IOCL referred the arbitrability issue to its General Manager under Clause 9.0.2.0 of the GCC, who deemed the claims non-arbitrable as not being "Notified Claims". The Delhi High Court, acting under Section 11(6) of the Arbitration Act, appointed a Sole Arbitrator. IOCL appealed to the Supreme Court against the appointment.

The Supreme Court allowed Civil Appeal Nos. 342/2022, 343/2022, and 345/2022. The High Court's orders appointing arbitrators were quashed. The General Manager's determination that these were not "Notified Claims" was

- determination that these were not "Notified Claims" was considered binding as per the contract's "excluded matters" (Clause 9.0.2.0 GCC), thus making them non-arbitrable by an arbitral tribunal.
- Civil Appeal No. 344/2022 was partly allowed. Only the single claim declared by the General Manager as a "Notified Claim" is arbitrable.

The Supreme Court affirmed that parties are bound by "restricted arbitration clauses" and "excepted matters" within their contract. While courts have a limited prima facie review under Section 11(6-A) of the Arbitration Act, they can weed out "manifestly and ex facie certain" non-arbitrable disputes.

INDIAN OIL
CORPORATION LIMITED
VS. NCC LIMITED
[CIVIL APPEAL NO.
341]

SECTIONS 11(6), 11(6-A), 16 OF THE ARBITRATION AND CONCILIATION ACT, 1996

## Can a Sub-Registrar orally refuse to accept a document for registration?

**CONTEXT:** The petitioner, Amir Kumar Darjee, filed a writ petition under Articles 226 and 227 of the Constitution of India, 1950, seeking a directive to compel the District Sub-Registrar, Bolangir, to accept a deed for sale for registration. This implicitly arose from an oral refusal or reluctance by the Sub-Registrar to accept the document.

The writ petition filed by the petitioner was disposed of. The court directed the District Sub-Registrar, Bolangir (O.P. No.1), to accept the deed for sale if presented by the petitioner with a certified copy of this judgment for registration.

The Sub-Registrar is mandated to act upon the document as per The Indian Registration Act, 1908, and The Orissa Registration Rules, 1988.

The rationale is that the law explicitly prevents a Sub-Registrar from orally refusing to accept a document; they must either register it or refuse in writing, providing reasons, especially if the document is not legally fit for acceptance.

#### **PRECEDENT:**

North East Infrastructure Private Limited and Ors. Vs. The State of Andhra Pradesh and Ors. [2025 (2) Civ.C.C. 220 (Andhra Pradesh)] AMIR KUMAR DARJEE

V. DISTRICT SUBREGISTRAR, BOLANGIR

AND ANOTHER
[W.P.(C) NO.17979 OF
2025]

ARTICLES 226 AND 227
OF THE CONSTITUTION
OF INDIA, 1950

SECTION 71 OF THE THE REGISTRATION ACT,
1908

RULE 147 OF THE THE ORISSA REGISTRATION RULES, 1988

Whether the definition of "surviving children" for maternity leave purposes under Rule 43 of the Central Civil Services (Leave) Rules 1972 includes stepchildren for whom Child Care Leave was availed, thereby disentitling a female government servant from maternity leave for her biological child?

CONTEXT: Deepika Singh, a Nursing Officer, married a spouse who had two children from a previous marriage. She later had her first biological child and applied for maternity leave. Her application was rejected by PGIMER, the Central Administrative Tribunal, and the High Court of Punjab and Haryana, on the grounds that she already had two "surviving children" (her stepchildren for whom she had availed Child Care Leave), making her biological child the "third child" and maternity leave inadmissible under Rule 43 of the Central Civil Services (Leave) Rules 1972.

- The Supreme Court allowed the appeal, setting aside the judgments of the High Court and the Central Administrative Tribunal.
- The Court held that the appellant was entitled to maternity leave for her sole biological child, emphasizing that the fact she availed Child Care Leave for her stepchildren does not disentitle her to maternity leave under Rule 43.
- The Court stressed a purposive and liberal interpretation of beneficial legislation, noting that maternity leave aims to facilitate women's continuance in the workplace and that the concept of "family" must encompass diverse structures beyond traditional understandings. The benefits due to the appellant are to be released within two months.

CENTRAL
ADMINISTRATIVE
TRIBUNAL AND
OTHERS.
[CIVIL APPEAL NO
5308 OF 2022]

RULE 43 OF THE MATERNITY LEAVE, CENTRAL CIVIL SERVICES (LEAVE) RULES 1972

RULE 43-C OF THE CHILD CARE LEAVE, CENTRAL CIVIL SERVICES (LEAVE) RULES 1972 Whether a court can order a company to purchase shares of minority shareholders and reduce its share capital as a remedy for oppression, without following the statutory procedure?

CONTEXT: The legal dispute arose from Company Petition No.85/75 filed by the Gupta Group under Sections 397 & 398 of the Companies Act, 1956, alleging oppression by the majority in Cosmosteels Private Ltd. By a consent settlement, on 31 May 1977, the Supreme Court ordered the company to buy back the Gupta Group's 1,300 shares, with share capital reduced pro tanto. Valuation was to be done by M/s. Price Water House & Peet, based on existing, contingent, and anticipated liabilities. Creditors intervened (claiming ₹40 lakhs) seeking to postpone the buy-back until compliance with Sections 100-104 of the Act, or until their interests were safeguarded.

The Supreme Court rejected the interveners' petition. The Court held that when reduction of share capital is necessitated by directions given under Sections 397 and 398, the procedure prescribed in Sections 100 to 104 is not required.

Sections 77 and 402 provide distinct modes for capital reduction, with the Court's intervention ensuring creditor interests are considered.

The order of 31st May 1977 was not vitiated by the non-issue of notices to the interveners as their interests were safeguarded by the share valuation process, which accounted for all liabilities. Similarly, fresh notice to the Central Government at the appellate stage was not required under Section 400, as it had been issued at the initial High Court stage.

**COSMOSTEELS PRIVATE LTD. VS. JAIRAM DAS GUPTA &** ORS. [1978 AIR 375] **SECTIONS 77, 100, 101,** 104, 397, 398, 400, AND 402 OF THE **COMPANIES ACT, 1956** 

RULE 9 OF THE COMPANY (COURT) RULES, 1959