



IN THE HIGH COURT OF KARNATAKA AT BENGALURU



DATED THIS THE 10TH DAY OF JUNE, 2026

BEFORE

THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

WRIT PETITION NO. 10641 OF 2026 (GM-RES)

BETWEEN:

1. SMT G S SRIDEVI
S/O GUBBI SRINIVASAMURTHY
AGED ABOUT 47 YERARS
R/AT NO. 581 30TH MAIN ROAD
ATTIMABBE ROAD
BSK 3RD STAGE
BANGALORE -560 085

... PETITIONER

(BY SRI M.B. NARGUND, SENIOR ADVOCATE FOR
SMT. SONA VAKKUND, ADVOCATE)

AND:

1. SHRI H MAHADEV GOUD
S/O H NAGARATHNA
AGED ABOUT 38 YEARS
R/AT HOUSE NO. 336
9TH MAIN, DOLLARS COLONY
J P NAGAR 4TH PHASE
BENGALURU - 560 078

... RESPONDENT

(BY SRI. S. BASAVARAJU, SENIOR ADVOCATE FOR
SRI VIJAY B.K., ADVOCATE)

THIS WRIT PETITION IS FILED UNDER ARTICLE 227 OF THE CONSTITUTION OF INDIA, PRAYING TO ISSUE A WRIT, DIRECTION OR ORDER IN THE NATURE OF CERTIORARI BY QUASHING ORDER THE IMPUGNED ORDER DT 06-03-2026 ON IA NO.1 IN A.C.NO.369/2025 ON THE FILE OF THE ARBITRAL TRIBUNAL OF SRI BAILUR SHANKAR RAMA, SOLE ARBITRATOR AT ARBITRATION AND CONCILLIATION CENTRE, BENGALURU (DOMESTIC AND INTERNATIONAL) VIDE ANNEXURE-A, BY ALLOWING THE ABOVE WRIT PETITION AND ETC.





THIS WRIT PETITION, COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

ORAL ORDER

1. The petitioner is before this Court seeking for the following reliefs:
 - a. *Issue a Writ, Direction or Order in the nature of certiorari by quashing order the impugned order dated 06.03.2026 on IA No.1 in A.C. No.369/2025 on the file of the Arbitral Tribunal of Sri Bailur Shankar Rama, sole Arbitrator at Arbitration and Conciliation Centre, Bengaluru (Domestic and International) vide Annexure-A, by allowing the above writ petition,*
 - b. *Issue any other Writ, Direction or Order writ, which deems fit under the circumstances of the case, in the interest of justice and equity.*
2. Upon an application being filed under Section 11 of the Arbitration and Conciliation Act, 1996, this Court appointed a sole Arbitrator for the adjudication of the disputes between the parties. Pursuant thereto, the claimant therein instituted arbitral proceedings seeking specific performance of the Agreement of Sale dated 25.08.2021. Upon service of notice, the parties entered appearance, completed their pleadings and, thereafter, the learned Arbitrator framed the points for consideration.



3. At that stage, the petitioner, who was the respondent before the Arbitral Tribunal, filed an application under Section 16 of the Arbitration and Conciliation Act, 1996 (for short, "the A & C Act"). In the said application, the petitioner contended that the Agreement of Sale dated 25.08.2021, on the basis of which the arbitral proceedings had been initiated, was a fabricated and created document and that the signatures purportedly appearing thereon as those of the petitioner were forged. It was further contended that a complaint in this regard had already been lodged before the Chennammanakere Police Station, which came to be registered in Crime No.240/2025. On the aforesaid basis, it was asserted that when the very Agreement of Sale containing the arbitration clause was alleged to be forged, the Arbitral Tribunal lacked jurisdiction to proceed with the matter. The said application, however, came to be rejected by the learned Arbitrator by order dated 06.03.2026. Aggrieved thereby, the petitioner is before this Court seeking the reliefs aforementioned.
4. Sri M.B. Nargund, learned Senior Counsel appearing for the petitioner, submits that the petitioner has raised a fundamental challenge going to the very root of the arbitral proceedings, namely, the



existence and authenticity of the Agreement of Sale dated 25.08.2021. According to him, once a specific contention was raised that the document itself was forged and that the signatures attributed to the petitioner were not genuine, the learned Arbitrator was required to first adjudicate the said issue as a preliminary jurisdictional question under Section 16 of the A & C Act and dismiss the proceedings. He submits that unless the existence and validity of the underlying agreement were first determined, the arbitral proceedings could not have been permitted to continue. It is his contention that had the learned Arbitrator examined and upheld the petitioner's plea regarding forgery, the very foundation of the arbitral proceedings would have disappeared, resulting in termination of the proceedings for want of jurisdiction, this was required to be done even if evidence were to led. He therefore contends that the impugned order suffers from patent illegality and jurisdictional error, warranting interference by this Court in exercise of its extraordinary jurisdiction under Articles 226 and 227 of the Constitution of India.

5. Sri.S.Basavaraj., learned Senior Counsel for the respondents would submit that all the issues as



regard the execution of the agreement of sale, forgery or otherwise are covered under Issue No.1 which has been formulated by the Arbitral Tribunal which reads as under;

"Whether petitioner proves that respondent has executed an agreement of sale dated 25.08.2021 in his favour in respect of scheduled mentioned property after receiving entire sale consideration of Rs.1,45,00,000/- which was paid to him much earlier to the said date agreeing to execute registered sale deed in favour of the claimant on demand".

6. His submission is that the above issues/point for consideration would include determination of whether an agreement of sale has been executed, whether there is forgery which has been committed, whether parties are bound by it or otherwise and as such this issue would be determined during the course of trial.
7. Heard Sri.M.B.Nargund., learned Senior Counsel appearing for the petitioner and Sri.S.Basavaraj., learned Senior Counsel for the respondents. Perused papers.
8. The short question that would arise for consideration is;

"Whether the writ petition is maintainable challenging an order passed under Section 16 of the Arbitration Conciliation Act, 1996".



9. Section 16 of the A & C Act, 1996, is reproduced hereunder for easy reference;

16. Competence of arbitral Tribunal to rule on its jurisdiction.

(1) The arbitral Tribunal may rule on its own jurisdiction, including ruling on any objections with respect to the existence or validity of the arbitration agreement, and for that purpose,

(a) an arbitration clause which forms part of a contract shall be treated as an agreement independent of the other terms of the contract; and

(b) a decision by the arbitral Tribunal that the contract is null and void shall not entail ipso jure the invalidity of the arbitration clause.

(2) A plea that the arbitral Tribunal does not have jurisdiction shall be raised not later than the submission of the statement of defence; however, a party shall not be precluded from raising such a plea merely because that he has appointed, or participated in the appointment of, an arbitrator.

(3) A plea that the arbitral Tribunal is exceeding the scope of its authority shall be raised as soon as the matter alleged to be beyond the scope of its authority is raised during the arbitral proceedings.

(4) The arbitral Tribunal may, in either of the cases referred to in sub-section (2) or sub-section (3), admit a later plea if it considers the delay justified.

(5) The arbitral Tribunal shall decide on a plea referred to in sub-section (2) or sub-section (3) and, where the arbitral Tribunal takes a decision rejecting the plea, continue with the arbitral proceedings and make an arbitral award.

(6) A party aggrieved by such an arbitral award may make an application for setting aside such an arbitral award in accordance with section 34.



10. A perusal of Section 16(1) of the Arbitration and Conciliation Act, 1996 makes it clear that the Arbitral Tribunal is empowered to rule on its own jurisdiction. The provision embodies the well-recognised principle of kompetenz-kompetenz, whereby the Arbitral Tribunal is competent to determine questions relating to the existence, validity and scope of the arbitration agreement. The said provision specifically authorises the Tribunal to rule on any objection concerning the existence or validity of the arbitration agreement. Thus, in the present case, where the petitioner has questioned the very existence and authenticity of the Agreement of Sale dated 25.08.2021 and, consequently, the arbitration agreement contained therein, the application filed under Section 16 of the A & C Act was maintainable and was required to be considered by the learned Arbitrator.

11. Section 16(5) of the A & C Act prescribes the course of action to be adopted by the Arbitral Tribunal upon consideration of such a plea. The provision mandates that the Tribunal shall decide the plea raised under Section 16. If the Tribunal accepts the plea and comes to the conclusion that it lacks jurisdiction, the arbitral proceedings would necessarily come to an end. However, where the Tribunal rejects the plea,



the statute expressly requires the Tribunal to continue with the arbitral proceedings and proceed to make an arbitral award in accordance with law.

12. The legislative intent underlying Section 16 is therefore clear. The statute does not contemplate interruption of arbitral proceedings merely because a jurisdictional objection has been raised and rejected. On the contrary, the scheme of the enactment requires the arbitral process to continue unhindered, subject to the rights of the aggrieved party to question the decision at the stage and in the manner provided under the Act.
13. This statutory scheme becomes even more evident upon a reading of Section 16(6) of the A & C Act. The said provision expressly provides that a party aggrieved by an arbitral award may make an application for setting aside such award under Section 34 of the Act. The legislative framework thus postpones judicial scrutiny of an order rejecting a jurisdictional plea until after the culmination of the arbitral proceedings and the passing of the arbitral award.
14. Thus, when a plea is raised under Section 16 of the A & C Act, two distinct consequences may follow.



Firstly, if the plea is accepted and the Tribunal holds that it lacks jurisdiction, the arbitral proceedings would stand terminated. Secondly, if the plea is rejected, the Tribunal is statutorily obliged to continue the proceedings and render an arbitral award. In the latter situation, the party aggrieved by such rejection is not left remediless. The Act itself preserves the right of such party to challenge the arbitral award under Section 34 and, while doing so, also assails the correctness of the decision rendered under Section 16.

15. The legislative policy underlying the aforesaid provisions is to minimise judicial intervention during the pendency of arbitral proceedings and to prevent fragmentation of challenges at interlocutory stages. If every order rejecting a plea under Section 16 were permitted to be independently challenged before constitutional courts, the very object of expeditious dispute resolution through arbitration would stand defeated. The arbitral process would be susceptible to repeated interruptions and prolonged delays, contrary to the scheme and spirit of the A & C Act.
16. Therefore, a rejection of a jurisdictional plea under Section 16 does not attain finality independently of



the arbitral proceedings. Such rejection remains subject to examination in proceedings under Section 34 after an award is rendered. The statute having provided a specific mechanism and stage for challenging such a determination, the parties are required to adhere to the legislative framework.

17. In the present case, the learned Arbitrator has rejected the petitioner's plea under Section 16 and has elected to proceed with the arbitral proceedings. The consequence flowing from such rejection is expressly provided under Section 16(5), namely, continuation of the arbitral proceedings and eventual rendering of an arbitral award. The petitioner's remedy, if ultimately aggrieved by the award, would be to invoke Section 34 of the A & C Act and challenge the award, including the finding rendered on the jurisdictional objection.

18. Thus, until an arbitral award is passed, an order rejecting a plea under Section 16 of the A & C Act is ordinarily not amenable to an independent challenge. The statutory scheme clearly postpones such a challenge to the stage of proceedings under Section 34. In view thereof, this Court is of the considered opinion that the present challenge to the impugned



order rejecting the application under Section 16 is premature and cannot be entertained in exercise of the writ jurisdiction under Articles 226 and 227 of the Constitution of India.

19. There is yet another reason why the contention advanced on behalf of the petitioner cannot be accepted. The plea raised by the petitioner is founded on an assertion that the Agreement of Sale dated 25.08.2021 is a fabricated document and that the signatures appearing thereon are forged. The adjudication of such a plea would necessarily require examination of oral and documentary evidence, scrutiny of the disputed signatures, consideration of surrounding circumstances relating to execution of the document and, if required, the opinion of handwriting or forensic experts. Such an exercise is essentially evidentiary in nature.

20. Though Section 16 empowers the Arbitral Tribunal to rule upon objections touching upon its jurisdiction, including objections relating to the existence or validity of the arbitration agreement, the said provision cannot be construed as requiring the Tribunal to undertake a full-fledged trial on disputed questions of fact at an interlocutory stage. More so



when the factual issues sought to be canvassed under the guise of a jurisdictional objection substantially overlap with the issues that arise for adjudication in the arbitral proceedings themselves.

21. In the present case, the allegation that the Agreement of Sale is forged does not give rise to a pure question of law capable of determination on admitted facts. The said allegation raises disputed questions of fact requiring the appreciation of evidence. Any conclusive determination of such issues at the stage of considering an application under Section 16 would necessarily require recording evidence and arriving at findings on matters which may ultimately form part of the final adjudication of the arbitral dispute. Such an exercise would result in a virtual trial within a trial and may prejudice the final adjudication of the claims and defences before the Tribunal.
22. The purpose of Section 16 is not to bifurcate the arbitral proceedings into multiple stages of evidence and adjudication. The provision is intended to enable the Tribunal to address jurisdictional objections while preserving the efficiency and continuity of the arbitral process. Where the jurisdictional objection



itself is intertwined with disputed factual issues requiring a detailed evidentiary enquiry, the Tribunal would be justified in allowing the parties to lead evidence in the arbitral proceedings and adjudicating all such issues comprehensively while rendering the final award.

23. In that view of the matter, the learned Arbitrator cannot be faulted for declining to terminate the proceedings at the threshold merely on the basis of the allegations of forgery raised by the petitioner. The petitioner is at liberty to adduce all evidence available in support of the plea that the Agreement of Sale and the arbitration agreement contained therein are not genuine. Equally, the claimant would be entitled to adduce evidence in support of the execution and validity of the document. The learned Arbitrator would thereafter consider the entire evidence on record and render appropriate findings in accordance with law.
24. Thus, viewed from any angle, the impugned order does not suffer from any jurisdictional infirmity warranting interference under Articles 226 or 227 of the Constitution of India. The petitioner has an adequate opportunity to establish the plea of forgery



before the Arbitral Tribunal and, if aggrieved by the ultimate award, to avail the statutory remedy available under Section 34 of the A & C Act.

25. The maintainability of the present petition is required to be examined from yet another perspective. The Arbitration and Conciliation Act, 1996 is a self-contained code which not only regulates the conduct of arbitral proceedings but also specifies the circumstances in which judicial intervention is permissible. Section 37 of the A & C Act provides for appeals against specified orders and expressly limits the appellate remedies available under the statute. The provision reads as under:

37. Appealable orders.

(1)[Notwithstanding anything contained in any other law for the time being in force, an appeal] [Substituted 'An appeal' by Act No. 33 of 2019, dated 9.8.2019.] shall lie from the following orders (and from no others) to the Court authorised by law to hear appeals from original decrees of the Court passing the order, namely:

(a)[refusing to refer the parties to arbitration under section 8; [Substituted by Act No. 3 of 2016 dated 31.12.2015.]

(b)granting or refusing to grant any measure under section 9;

(c)setting aside or refusing to set aside an arbitral award under section 34.](2)An appeal shall also lie to a Court from an order of the arbitral Tribunal (a)accepting the plea referred to in sub-section (2) or sub-section (3)



of section 16; or(b)granting or refusing to grant an interim measure under section 17.

(3)No second appeal shall lie from an order passed in appeal under this section, but nothing in this section shall affect or take away any right to appeal to the Supreme Court.

26. A perusal of Section 37 makes it clear that the right of appeal against orders passed by an Arbitral Tribunal is not general in nature but is confined to the categories expressly enumerated therein. Significantly, Section 37(2)(a) provides an appeal only against an order of the Arbitral Tribunal accepting a plea under Section 16(2) or Section 16(3). The statute does not provide an appeal against an order rejecting such a plea. The distinction is deliberate and forms part of the legislative scheme underlying Sections 16 and 37 of the A & C Act.
27. The reason for such distinction is not far to seek. If a plea under Section 16 is accepted and the Tribunal declines jurisdiction, the arbitral proceedings come to an end and the party asserting the existence of the arbitration agreement would otherwise be left without an effective remedy. It is for this reason that Section 37 provides an immediate right of appeal against an order accepting a jurisdictional objection. Conversely, where the plea is rejected, the arbitral



proceedings continue and culminate in an award. In such a situation, the aggrieved party is not left remediless, since the correctness of the decision rendered under Section 16 can be assailed while challenging the award under Section 34 of the A & C Act. Thus, the legislative intent is to avoid interruption of arbitral proceedings by interlocutory challenges and to defer judicial scrutiny until the stage of challenge to the award.

28. Therefore, a conjoint reading of Sections 16, 34 and 37 of the A & C Act makes it abundantly clear that an order rejecting a jurisdictional plea under Section 16 is not intended to be independently challenged during the pendency of the arbitral proceedings. Entertaining such challenges would render otiose the carefully structured statutory mechanism and defeat the objective of ensuring expeditious resolution of disputes through arbitration.
29. In the present case, the grievance projected by the petitioner is founded upon the allegation that the Agreement of Sale dated 25.08.2021 is a fabricated document and that the signatures appearing thereon are forged. As rightly contended on behalf of the respondent, the factual issues underlying the said



plea substantially overlap with the issues arising for adjudication in the arbitral proceedings themselves. The very question whether the Agreement of Sale was executed by the parties, whether the signatures appearing thereon are genuine and whether the rights claimed thereunder are enforceable are matters which fall for consideration on the basis of evidence to be adduced before the learned Arbitrator.

30. The issues raised in the application under Section 16 are therefore not capable of being conclusively determined in isolation without entering upon an appreciation of evidence. Those issues form an integral part of the controversy between the parties and substantially overlap with the matters which are required to be adjudicated while deciding the arbitral claims on merits. Any attempt to conclusively determine such questions at the threshold stage would necessarily require recording evidence and rendering findings on matters that properly fall within the scope of the final adjudication by the Arbitral Tribunal.
31. Insofar as the determination of the aforesaid issues is concerned, both parties are at liberty to adduce



such oral and documentary evidence as may be permissible in law. The learned Arbitrator shall consider the entire material placed on record and render findings thereon while passing the final award. If either party is aggrieved by such award, it would be open to such party to avail the statutory remedies provided under the A & C Act, including a challenge under Section 34 in accordance with law.

32. In view of the above discussion, this Court finds no ground to interfere with the impugned order. The petition is accordingly ***disposed of***, reserving liberty to the parties to urge all contentions available to them before the learned Arbitrator.

**SD/-
(SURAJ GOVINDARAJ)
JUDGE**

SR
List No.: 1 Sl No.: 60