



**HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR**

D.B. Civil Miscellaneous Appeal No. 3223/2025
CNR: RJHC020592412025 | URN: CMA / 5476U / 2025

Naveen Choudhary S/o Mr. Vijendra Choudhary, Aged About 38 Years, Residing At 21, Girdhar Colony, Sikar Road, Jaipur (Raj.) 302039.

----Appellant

Versus

1. M/s Shivangan Constructions, A Partnership Firm, Through Its Partner Mr. Satya Narayan Gupta S/o Late Mr. Radheshyam Gupta Aged About 55 Years Presently Residing At 364, Sector-3, Gems Colony, Vidhyadhar Nagar, Jaipur (Raj.) 302039.
2. Mr. Satya Narayan Gupta S/o Late Mr. Radheshyam Gupta, Aged About 55 Years, Presently Residing At 364, Sector-3, Gems Colony, Vidhyadhar Nagar, Jaipur (Raj.) 302039.
3. Shreenathkripa Developers Private Limited, Having Its Unique Corporate Identification Number(Cin U4520Rj2008Ptc027146) Having Its Registered Office At 4, Girdhar Colony, Opp. Manipal Hospital, Sikar Road, Soni Ka Bhag, Murlipura, Jaipur (Raj.) 302039 And Corporate Office At 707, Paris Point, Near Collectorate Circle, Jaipur (Raj.)-302006 Through Its Director/authorized Representative.
4. Vijendra Choudhary S/o Mr. Fattaram Jhajhadia, Residing At 4, Girdhar Colony, Sikar Road, Jaipur (Raj.) -302039.
5. Chanchala Choudhary W/o Mr. Vijendra Choudhary, Residing At 21, Girdhar Colony, Sikar Road, Jaipur (Raj.) -302039.
6. Om Prakash Punia S/o Mr. Amar Singh Punia, Residing At 4, Girdhar Colony, Sikar Road, Jaipur (Raj.)-302039 (Deceased)
7. Pratap Singh Gajraj S/o Mr. Sawarmal, Residing At 201, Jamnapuri, Murlipura Scheme Ke Pass, Jaipur (Raj.) - 302039. (Deceased).
8. Rajendra Gajraj S/o Mr. Pratap Singh Gajraj, Residing At

201, Jamnapuri Murlipura Scheme Ke Pass, Jaipur (Raj.)-302039.

9. Suredra Gajraj S/o Mr. Pratap Singh Gajraj, Residing At 201, Jamnapuri Murlipura Scheme Ke Pass, Jaipur (Raj.) - 302039.
10. Mrs. Krishna Devi W/o Late Mr. Om Prakash Punia, Aged About 68 Years, Residing At 4, Girdhar Colony, Sikar Road, Jaipur (Raj.)-302039.
11. Mr. Ankit Punia S/o Late Mr. Om Prakash Punia, Aged About 30 Years, Residing At 4, Girdhar Colony, Sikar Road, Jaipur (Raj.) -302039.
12. Mrs. Praveen Punia D/o Late Mr. Om Prakash Punia, Aged About 42 Years, Residing At 191, Shiv Nagar 2, Murlipura Scheme, Jaipur (Raj.)-302039.
13. Mrs. Sunita D/o Late Mr. Om Prakash Punia, Aged About 45 Years, Residing At 4, Girdhar Colony, Sikar Road, Jaipur (Raj.) -302039.
14. Rajendra Gajraj S/o Mr. Pratap Singh Gajraj, Residing At 201, Jamnapuri Murlipura Scheme Ke Pass, Jaipur (Raj.) 302039.
15. Surendra Gajraj S/o Mr. Pratap Singh Gajraj, Residing At 201, Jamnapuri Murlipura Scheme Ke Pass, Jaipur (Raj.) - 302039.

----Respondents

For Appellant(s)	:	Mr. Mitesh Sharma
For Respondent(s)	:	Mr. Rohan Agarwal for Mr. Naresh Kumar Sejvani

HON'BLE MR. JUSTICE ARUN MONGA
HON'BLE MR. JUSTICE ASHUTOSH KUMAR

Order(Oral)

Reportable

03/08/2026

Per: Arun Monga, J.

1. The appellant, by way of the present appeal, seeks quashing of the order dated 12.08.2025 passed by the learned Commercial

Court No. 1, Jaipur Metropolitan-II, whereby its appeal under Section 37 of the Arbitration and Conciliation Act, 1996 against the interim order of the Arbitral Tribunal, only to the extent of imposing costs of Rs. 20,000/-, was dismissed. Not only dismissed, further costs of Rs. 5,00,000/- were imposed upon the appellant by the learned commercial court.

2. Briefly stated, the appeal before the learned Commercial Court arose from an interim order of the learned Arbitrator directing the appellant to deposit the balance amount of Rs. 6,87,500/- towards the arbitrator's fees and imposing costs of Rs. 20,000/- for delay in filing the Statement of Defence.

2.1. The appellant challenged these directions, inter alia, on the ground that they had been issued while its objections to the jurisdiction of the Arbitral Tribunal under Section 16 of the Arbitration and Conciliation Act, 1996, along with other objections, were still pending adjudication, and that compelling it to proceed with the arbitral proceedings, by filing the Statement of Defence and paying fees, was prejudicial to its rights.

2.2. As stated in the appeal, the appellant was not in default as it had already deposited Rs. 2,00,000/- towards the arbitrator's fees and thereafter paid the balance of Rs. 4,87,500/-, thereby depositing the entire sum of Rs. 6,87,500/-. It equally complied with the direction as to costs, and filed the Statement of Defence under protest, expressly reserving its legal objections.

2.3. However, the learned Commercial Court dismissed the appeal, holding the challenge to be devoid of merit and a device to delay the arbitral proceedings, and then proceeded to impose special costs of Rs. 5,00,000/- upon the appellant.

2.4. Hence, the present appeal against imposition of the cost of Rs. 5,00,000/-.

3. We have heard the rival contentions of the parties and perused the case file.

4. At the outset, we must record our strong disapproval of the manner in which the learned Commercial Judge has exercised the discretion to impose costs. The appellant's grievance before the learned Commercial Court was confined to seeking waiver of costs of Rs. 20,000/- imposed by the learned Arbitrator, an amount which, in any event, already stood deposited. Instead of a waiver, the appellant found itself saddled with special costs of Rs. 5,00,000/-.

5. The plight of the appellant is aptly captured by the well-known Urdu idiom:

"Namaaz bakhshwaane gaye the, roze gale pad gaye"

6. To visit a litigant with costs twenty-five times the amount it had sought to be waived is wholly disproportionate, prohibitive and oppressive. Nor is this an isolated instance by the same very learned Commercial court Judge. This Court has earlier come across similar orders of disproportionate costs passed by the same learned Judge.

7. Costs are intended to compensate a party and to discipline abuse of process. They are not an instrument of intimidation. An order of this nature conveys an unmistakable and impermissible message to every aggrieved litigant, viz., that invoking a statutory remedy, even upon considered legal advice, is fraught with peril.

8. Access to justice is a valuable right, and a litigant pursuing a

bona fide remedy cannot be penalised merely for having approached the Court.

9. In the premise, at the highest, if the learned Commercial Court was disinclined to grant the waiver sought, the appropriate course was simply to dismiss the objection petition. There was no warrant whatsoever for compounding the appellant's difficulties by saddling it with a further burden of Rs. 5,00,000/-.

10. Resultantly, the impugned order dated 12.06.2025 is set aside, with consequences to follow.

11. All pending application(s) stand disposed of.

(ASHUTOSH KUMAR),J

(ARUN MONGA),J