

1893.

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tion with regard to the proposed building; and the fact that a demand was also made for documentary proof of plaintiffs' ownership of the land—a demand which would not be justified—*In re Jamnaddás Dulabdás*⁽¹⁾—would not invalidate the notice calling for a plan. On the other hand, if the wall was a building distinct from the building which plaintiffs by their original notice proposed to erect, then due notice of the same was never given. In either case the plaintiffs began or made a building without the requisite notice or without affording the information legally demanded from them. The action of the Municipality was, therefore, justified, and the present claim was rightly dismissed. We must confirm the decree with costs.

Decree confirmed.

(1) I. L. R., 15 Bom., 516.

APPELLATE CIVIL.

Before Sir Charles Sargent, Kt., Chief Justice, and Mr. Justice Candy.

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December 19.

GANGA'RA'M KUSHA'BA RANGOLE (ORIGINAL PLAINTIFF), APPLICANT,
v. NA'PA'YAN BA'BA'JI RANGOLE (ORIGINAL DEFENDANT), OPPONENT.*

Stamp—Letters submitting to arbitration.

Letters written by parties authorizing arbitrators to arbitrate between them do not require to be stamped.

THIS was an application under the extraordinary jurisdiction of the High Court against the decision of Ráo Bahádur Jayasatya Bodhráo Tirmalráo, First Class Subordinate Judge of Sátára.

The plaintiff and the defendant agreed to refer their differences to certain arbitrators, and they did so by two separate letters which were addressed to the same arbitrators, and which were exactly in the same terms, except that one was signed by the plaintiff and the other was signed by the defendant. The arbitrators made their award, and the plaintiff applied to the Court to have it filed. The Subordinate Judge declined to file the award, holding that the letters of submission required to be stamped as an agreement, and that not being so stamped, the arbitrators had no authority to act.

*Application No. 110 of 1893 under extraordinary jurisdiction.

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The plaintiff applied to the High Court under its extraordinary jurisdiction, contending that the letters of reference did not require any stamp, and that if they did, the Subordinate Judge was wrong in not accepting the penalty which the plaintiff had offered to pay. A rule *nisi* was granted, calling upon the defendant to show cause why the order of the Subordinate Judge refusing to file the award should not be set aside.

Mahādeo V. Bhat, for the applicant (plaintiff) in support of the rule:—Each letter merely says that the person to whom it is addressed should settle the dispute. It is a submission by each party, and nothing more; and as such does not require a stamp.

Gangāram B. Rele, for the opponent (defendant), showed cause:—The two letters, when read together, amount to an agreement between the parties to refer the dispute to arbitration, and as such require a stamp duty of eight annas under article 5, clause (c), Schedule I of the Stamp Act (I of 1879).

SARGENT, C. J.:—The letters written by the parties authorising the arbitrators to arbitrate between them did not require to be stamped. Each letter is to be read as against the party writing it, and operates as a submission to arbitration by that party. Together they might, no doubt, be used as evidence of a verbal agreement to submit to arbitration, if that were a question necessary to be determined. But the letters of authority by the parties to the arbitrators are of themselves sufficient to support the arbitration and, therefore, the award.

We must, therefore, in the exercise of our extraordinary jurisdiction, make absolute the rule *nisi* and discharge the order of the Court below, and direct the First Class Subordinate Judge to proceed to dispose of the case on the merits. Costs to abide the result.

Rule made absolute.