

QUARTERLY ALTERNATE DISPUTE RESOLUTION ROUND-UP

(MAY 2026 – AUGUST 2026)

MAY

1. Prima facie review at the Section 11 stage: limits on judicial scrutiny.

The Delhi High Court in *Vijay Tyagi v NDMC* was seized of a petition under Section 11 of the Arbitration and Conciliation Act 1996¹ [“**Arbitration Act**”], arising out of disputes in a public works contract.² The respondent opposed the reference to arbitration on the ground that the claims were time-barred and premature, raising objections relating to limitation and delay. The issue before the Court was whether such objections could be examined at the stage of appointment of an arbitrator or whether they were to be left for determination by the arbitral tribunal.

The Court held that its jurisdiction at the Section 11 stage is confined to a prima facie examination of the existence of a valid arbitration agreement, and does not extend to adjudicating limitation or other merit-based objections. It reasoned that such issues fall within the domain of the arbitral tribunal in line with the principle of competence-competence. By refusing to entertain threshold objections, the Court reinforced arbitral autonomy and ensured that the arbitral process is not stalled by preliminary judicial scrutiny.

2. Section 33 cannot be used to substantively modify arbitral awards.

The dispute before the Supreme Court in *Gujarat Water Supply & Sewerage Board v Saryu Plastics Pvt. Ltd.*³ arose out of arbitral proceedings where one party challenged the award on grounds including procedural irregularities and alleged errors in the award. Additionally, an attempt had been made to alter the nature of interest awarded through a correction mechanism.

¹ Arbitration and Conciliation Act 1996, s 11.

² *Vijay Tyagi v NDMC* 2026 SCC OnLine Del 2771.

³ *Gujarat Water Supply & Sewerage Board v Saryu Plastics (P) Ltd.* 2026 SCC OnLine SC 944.

The issue before the Court was whether Section 33 of the Arbitration Act permits modification of an arbitral award beyond clerical or arithmetical corrections, and whether a party can raise procedural objections after participating in the proceedings without protest.⁴

The Court held that Section 33 is strictly limited to correction of clerical or arithmetical errors and cannot be used to modify the substance of an award. It further held that a party which participates in arbitral proceedings without raising timely objections is precluded from subsequently challenging the award on procedural grounds, applying principles of estoppel and acquiescence. The reasoning emphasised finality of arbitral awards and discouraged strategic challenges aimed at reopening concluded proceedings.

3. Courts exercising jurisdiction under Section 11 must defer substantive contractual disputes to the arbitral tribunal.

In *Cygnett Hotels & Resorts Pvt. Ltd. v Tapobhumi Eco Projects Pvt. Ltd.*⁵ before the Delhi High Court, a petition under Section 11 of the Arbitration Act sought appointment of an arbitrator in the context of a commercial agreement containing an arbitration clause.⁶ The respondent did not dispute the existence of the arbitration agreement but raised objections relating to contractual performance, accord and satisfaction, and other factual controversies.

The issue before the Court was whether such substantive disputes could be examined by the referral court at the stage of appointing an arbitrator. The Court held that its role under Section 11 is purely facilitative and limited to verifying the existence of an arbitration agreement. It reasoned that issues relating to contractual performance, settlement, or competing claims fall exclusively within the jurisdiction of the arbitral tribunal. By deferring all substantive determinations to the tribunal, the Court upheld the principle of arbitral autonomy and minimised judicial interference at the pre-arbitral stage.

4. Interlinked disputes arising from a composite transaction may be referred through a common arbitral process.

The Delhi High Court in *Jiangxi Construction Engineering Group Co. Ltd. v Varaha Infra Ltd.*⁷ was confronted with disputes arising out of multiple interrelated agreements, including a joint

⁴ Arbitration and Conciliation Act 1996, s 33.

⁵ *Cygnett Hotels & Resorts (P) Ltd. v Tapobhumi Eco Projects (P) Ltd.* 2026 SCC OnLine Del 4439.

⁶ Arbitration and Conciliation Act 1996, s 11.

⁷ *Jiangxi Construction Engineering Group Co. Ltd. v Varaha Infra Ltd.* 2026 SCC OnLine Del 4116.

venture agreement, a settlement agreement, a consent arbitral award, and mortgage arrangements, all connected to a single infrastructure project. The parties raised objections regarding the arbitrability of certain disputes and whether fresh invocation of arbitration was required.

The issue before the Court was whether such interconnected disputes could be fragmented or ought to be referred together to arbitration. The Court held that where agreements are inextricably linked and form part of a composite transaction, disputes arising therefrom must be referred to a single arbitral process. It reasoned that fragmentation would defeat commercial efficiency and lead to inconsistent outcomes. Recognising the “bundle of agreements” as a unified contractual framework, the Court endorsed consolidation and reaffirmed a pro-arbitration approach that prioritises efficiency and coherence in dispute resolution.

5. High Courts should ordinarily refrain from interfering with pending arbitral proceedings through writ jurisdiction.

In *M/s Tarini Prasad Mohanty v M/s Sunflag Iron and Steel Ltd.*,⁸ the dispute arose during ongoing arbitral proceedings where an interlocutory order passed by the arbitrator under Section 16⁹ of the Arbitration Act was challenged before the High Court through a writ petition under Articles 226 and 227 of the Constitution.¹⁰ The High Court entertained the petition and interfered with the arbitral process, leading to an appeal before the Supreme Court. The issue was whether writ jurisdiction could be invoked against interlocutory orders of an arbitral tribunal.

The Supreme Court held that writ jurisdiction should not ordinarily be exercised to interfere with orders passed by arbitral tribunals during the pendency of proceedings. It reasoned that the Arbitration Act provides a self-contained mechanism, including a post-award remedy under Section 34, and that allowing writ petitions would undermine the principle of minimal judicial intervention. The Court emphasised that challenges must be deferred to the statutory framework, thereby preserving the efficiency and autonomy of arbitration.

6. Reaffirmation of limited appellate interference with arbitral awards.

⁸ *Tarini Prasad Mohanty v Sunflag Iron & Steel Co. Ltd.* 2026 SCC Online SC 973.

⁹ Arbitration and Conciliation Act 1996, s 16.

¹⁰ The Constitution of India 1950, arts 226-227.

In *Madhya Pradesh Road Development Corporation Ltd. v M/s Jabalpur Corridor Pvt. Ltd.*,¹¹ the dispute arose from a concession agreement for a highway infrastructure project, culminating in an arbitral award. The award was challenged under Section 34¹² and subsequently under Section 37 of the Arbitration Act,¹³ with the High Court refusing to interfere.

The matter reached the Supreme Court, where the issue was whether appellate courts could reassess the merits of an arbitral award or substitute their own interpretation. The Supreme Court upheld the limited scope of interference under Sections 34 and 37, holding that courts cannot re-appreciate evidence or substitute the arbitral tribunal's interpretation merely because another view is possible. It reasoned that judicial review in arbitration is confined to statutorily prescribed grounds such as patent illegality or perversity. By affirming the finality of arbitral awards and restricting appellate intervention, the Court reinforced the pro-arbitration framework and the principle of minimal judicial interference.

¹¹ *Madhya Pradesh Road Development Corporation Ltd. v M/s Jabalpur Corridor Pvt. Ltd.* 2026 INSC 590.

¹² Arbitration and Conciliation Act 1996, s 34.

¹³ Arbitration and Conciliation Act 1996, s 37.

1. Supreme Court clarifies limitation for Section 34 applications following Section 33 proceedings.

In *National Highway Authority of India v T. Younis & Anr.*,¹⁴ the Supreme Court clarified whether an application under Section 34¹⁵ can be filed while proceedings under Section 33 of the Arbitration Act are already underway. The dispute arose out of land acquisition proceedings under the National Highways Act, 1956. Both the Appellant and the Respondent filed applications under Section 33¹⁶ of the Arbitration Act, which were dismissed by the Arbitral Tribunal. Thereafter, the Appellant filed applications under Section 34 of the Arbitration Act before the Principal District and Sessions Judge, along with applications seeking condonation of delay, which were resisted on the ground that the applications were filed beyond the 120-day period specified in Section 34(3)¹⁷ of the Arbitration Act and hence should not be allowed. The Principal District and Sessions Judge condoned the delay, following which the Respondent challenged the order before the Karnataka High Court. The High Court set aside the order of the Principal District and Sessions Judge, prompting the Appellant to approach the Supreme Court.

The Court reversed the High Court decision and held that once proceedings under Section 33 of the Arbitration Act are initiated and entertained by the Arbitral Tribunal, the award remains subject to the limited jurisdiction of the tribunal for correction, interpretation, or supplementation as contemplated under the provision. So long as such proceedings remain pending, the parties cannot be compelled to institute proceedings under Section 34 of the Arbitration Act merely as a matter of abundant caution. The parties can effectively pursue their remedy under Section 34 of the Arbitration Act only upon conclusion of the proceedings under Section 33. Consequently, the limitation prescribed under Section 34(3) of the Arbitration Act can start only from the date on which the proceedings under Section 33 are disposed of. At the same time, the Court cautioned that where Section 33 applications are found to be sham, frivolous, or *mala fide*, or filed solely to defeat the limitation prescribed under Section 34(3) of

¹⁴ *National Highway Authority of India v T. Younis & Anr.* 2026 SCC OnLine SC 1060.

¹⁵ Arbitration and Conciliation Act 1996, s 34.

¹⁶ Arbitration and Conciliation Act 1996, s 33.

¹⁷ Arbitration and Conciliation Act 1996, s 34(3).

the Arbitration Act, courts are justified in imposing exemplary and punitive costs to prevent abuse of process.

2. Consumers invoking the Consumer Protection Act cannot be forced into arbitration merely due to the presence of an arbitration clause.

The Supreme Court in *T.K.A. Padmanabhan v Abbiyan Cooperative Group Housing Society Ltd., Through Its Secretary*¹⁸ held that consumers who have invoked the Consumer Protection Act, 1986¹⁹ [“CPA”] cannot be forced into arbitration merely because the contract contains an arbitration clause. The Court observed that the statutory remedy expressly provided under the CPA cannot be defeated due to a private contractual clause.

The dispute arose from a claim of compensation made by the consumer for the alleged delay in handing over possession of a flat allotted by the housing society, despite having made the complete payment. This led him to approach the District Consumer Forum [“**District Forum**”], where the housing society invoked Section 8 of the Arbitration Act.²⁰ The parties were referred to arbitration by the District Forum. This order was later upheld by the State and National Consumer Disputes Redressal Commissions, leading to the consumer approaching the Supreme Court. The Court accepted the consumer's contention and held that the existence of another forum does not exclude the jurisdiction of the consumer forums. Furthermore, the Court stated that the provisions preserving the additional nature of the consumer remedy and prohibiting transfer of an admitted complaint must be read together to ensure the protection of the consumer's rights. The Court restored the proceedings and directed the District Forum to adjudicate the complaint within a year.

3. Writ jurisdiction cannot be invoked to challenge a tribunal’s rejection of a jurisdictional objection while arbitral proceedings are pending.

The Karnataka High Court in *Smt G.S Sridevi v Shri H Mahadev Goud*²¹ declined to interfere with an order passed by the arbitrator who rejected a challenge to the tribunal's jurisdiction in a dispute. The jurisdiction was challenged due to questions raised on the authenticity of the Agreement of Sale relied upon in the arbitration. The Court observed that the arbitral tribunal

¹⁸ *T.K.A Padmanabhan v Abbiyan Cooperative Group Housing Society Ltd.* 2026 SCC OnLine SC 1160.

¹⁹ Consumer Protection Act 1986.

²⁰ Arbitration and Conciliation Act 1996, s 8.

²¹ *G.S Sridevi v H Mahadev Goud* 2026 SCC OnLine Kar 6240.

is competent to determine questions regarding the existence, validity, and scope of arbitration agreements, authorising the tribunal to rule on any contention under Section 16²² of the Arbitration Act. It held that such challenges are postponed to the stage of proceedings under Section 34²³ of the Arbitration Act, to minimise judicial intervention during the pendency of arbitral proceedings at the interlocutory stage.

4. Parties cannot oppose arbitration after having accepted arbitration in similar disputes arising from the same agreement.

The Madhya Pradesh High Court in *JVS Foods Pvt. Ltd. v M.P. State Agro Industries Development Corp. Ltd.*²⁴ held that a party cannot ‘blow hot and cold’ in terms of appointment of an arbitrator. The dispute arose due to a disagreement in valuation of shares for the purchase agreement between the parties. The arbitration clause was invoked by JVS, but it was rejected by the Corporation, stating that exercising the clause was optional. However, JVS contended that the same clause had been previously invoked in a different dispute where an arbitrator was appointed. The Corporation argued that since the word ‘may’ was used in the clause, it was voluntary and optional. The Court, while deciding on the matter, observed that the Corporation had earlier conceded to arbitration and rejected the Corporation’s contention.

The Court stated that although the words ‘may refer’ have been used in the clause, the surrounding mandatory language ‘shall’ dictated the governing law and seat if arbitration was chosen. Crucially, the court emphasised the Corporation’s prior conduct of conceding to arbitration in similar disputes under the same agreement, ruling that a party cannot ‘blow hot and cold’ by rejecting the arbitration mechanism merely when it suits their convenience.

5. Correction of a contradictory operative direction by the arbitral tribunal does not amount to a review on its merits.

The Patna High Court in *M/s Ganesh Foundry and Castings Ltd. v The Bihar State Electricity Board (now M/s Bihar State Power (Holding) Company Ltd.) & Ors.*²⁵ held that any computational or clerical errors or contradictions of a similar nature are to be given a purposive interpretation in the context of the statute. The dispute arose from an alleged theft of electricity at Ganesh

²² Arbitration and Conciliation Act 1996, s 16.

²³ Arbitration and Conciliation Act 1996, s 34.

²⁴ *JVS Foods Pvt. Ltd. v M.P. State Agro Industries Development Corporation Ltd.* 2026 SCC OnLine MP 17656.

²⁵ *M/s Ganesh Foundry and Castings Ltd. v The Bihar State Electricity Board (now M/s Bihar State Power (Holding) Company Ltd.) & Ors.* 2026 SCC OnLine Pat 4337.

Foundry's manufacturing unit. They approached the Patna High Court to seek restoration of electricity, with the dispute being referred to arbitration by the court, resulting in an award that held that the tariff had to be assessed on the basis of total KVA (electrical load) reflected in independent test reports. The Bihar State Electricity Board subsequently filed an application under Section 33²⁶ of the Arbitration Act, contending that the operative portion of the award needed a correction. The tribunal agreed and issued an additional award to modify the operative part.

This modification made by the tribunal was challenged by the Appellant, arguing that the tribunal had exceeded its jurisdiction by substantively altering the award instead of correcting an error. The Court disagreed with this contention and held that the correction merely aligned the operative directives with the findings already produced and that it did not amount to a merits-based review of the dispute.

6. ICC Arbitration Rules 2026 amendments enter into force for faster and more efficient arbitration.

The International Chamber of Commerce's Arbitration Rules, 2026²⁷ ["**2026 Rules**"] entered into force on 1 June 2026 and introduced multiple changes to enhance efficiency, clarity, and usability. The 2026 Rules remove the requirement for the mandatory Terms of Reference, a document that both parties must sign, which often causes delays of up to 30 days or becomes a point of disagreement when one party refuses to sign. Under the 2026 Rules, the tribunals retain the discretion to draw up Terms of Reference where it is appropriate, instead of it being mandatory. The Rules also establish an early-determination process, which allows tribunals to handle claims or defences that have no basis or are outside their authority.

The 2026 Rules also add the Highly Expedited Arbitration Provisions in Appendix VI, which is an optional procedure aimed at getting a final award within three months of the first case management meeting. The Statement of Claim is included with the Request for Arbitration, and the Statement of Defence is included with the Answer. Parties have 20 days to choose an arbitrator, and the tribunal has wide authority to limit what is submitted, restrict the number of documents produced, skip hearings and even issue an award without giving reasons if the parties agree. These changes create a three-tier system for ICC arbitration that includes

²⁶ Arbitration and Conciliation Act 1996, s 33.

²⁷ International Chamber of Commerce, *ICC Arbitration Rules* (2026) < <https://iccwbo.org/dispute-resolution/dispute-resolution-services/arbitration/rules-procedure/2026-arbitration-rules/> > accessed on 29 June 2026.

standard, expedited and highly expedited procedures. These are just some of the many changes provided for by the 2026 Rules.

1. High Courts should exercise restraint in interfering with ongoing arbitral proceedings under Article 227.

In *Manash Kamal Bezboruah v Bokahola Tea Company Pvt. Ltd. & Ors.*,²⁸ the Supreme Court held that High Courts must exercise utmost caution before exercising their power of supervision under Article 227 of the Constitution of India in respect of orders made by an arbitral tribunal under Section 16 of the Arbitration Act.²⁹ It was also stated by the Court that such orders must generally be questioned through the provisions of Section 34³⁰ under the Arbitration Act only after completion of the process of arbitration and making of the final award. While the jurisdiction of High Courts under Article 227 cannot be ousted, the High Court would generally intervene only when there is a prima facie case of want of inherent jurisdiction.

2. Plaintiff must adhere to 120-day limit for reply to counter claim in commercial suits.

In *A.K. Ghosh & Co. v Biman Bose & Ors.*,³¹ the Supreme Court held that, in a commercial action, the plaintiff will be under the compulsion of the mandatory provision of the proviso to Order VIII Rule 1 of the Civil Procedure Code, 1908 [“CPC”]³² regarding filing a reply in respect of counter claim by the plaintiff. The Court held that, generally, the plaintiff will have to file his reply in 30 days, and, upon showing sufficient cause, the period can be extended, but not more than 120 days. In the said context, the Court referred to Order VIII Rule 6G CPC,³³ according to which the rules of filing replies in respect of written statements will apply to the replies filed in respect of counterclaims.

3. Section 43(3) cannot, by itself, validate a contractual clause that is otherwise void under the law.

²⁸ *Manash Kamal Bezboruah v M/s Bokahola Tea Co. Pvt. Ltd. & Ors.* 2026 SCC OnLine SC 1330.

²⁹ Arbitration and Conciliation Act 1996, s 16.

³⁰ Arbitration and Conciliation Act 1996, s 34.

³¹ *A.K. Ghosh & Co. and Ors. v Biman Bose and Ors.* 2026 INSC 684.

³² Code of Civil Procedure 1908, O VIII R 1.

³³ Code of Civil Procedure 1908, O VIII R 6G.

In *Mahanagar Telephone Nigam Ltd. v M/s Rukma Decor and Construction Co.*,³⁴ the Delhi High Court held that Section 43(3) of the Arbitration Act,³⁵ which gives the power to the courts to extend the contractual period for filing of arbitration proceedings in situations of undue hardship, does not serve the purpose of giving validity to the contract where such a contract is void under Section 28 of the Indian Contract Act, 1872.³⁶ The Court observed that where a contractual clause not only prescribes a time limit but also extinguishes substantive rights and discharges a party from liability, it is void under Section 28(b). Section 43(3) of the Arbitration Act operates only where a valid contractual time-bar clause exists and cannot, by itself, render an otherwise void clause enforceable.

4. Email delivery of scanned signed arbitral award valid, limitation under Section 34 starts from such delivery.

The Delhi High Court held that sending a scanned copy of signed arbitral award by email amounts to valid service under Section 31(5) of the Arbitration Act, which in turn makes the limitation period commence under Section 34(3)³⁷ of the Arbitration Act. In *Chief Engineer, Employees' State Insurance Corp. v Enarch Consultants Pvt. Ltd.*,³⁸ the Court did not accept the argument of ESIC that the limitation period would start from the date of receipt of the copy in hard copy by the officer authorized to file legal cases. The Court noted that Section 31(5) of the Arbitration Act does not mandate any mode of delivery and when the arbitration process involved only electronic communication throughout and there was no dispute about the award, the delivery by way of e-mail was adequate. The Court has further emphasised the three-month limitation period, along with the additional thirty-day period of condonation, is the maximum period within which the Court can entertain the case under Section 34.

5. Arbitral Tribunal becomes functus officio after award, except for limited corrections.

The Delhi High Court held that once an arbitral award is rendered, the arbitral tribunal becomes functus officio and cannot reopen the merits of its decision. In *Supreme Advertising Pvt. Ltd. v Genus Power Infrastructures Ltd.*,³⁹ the Court clarified that Section 33 of the Arbitration

³⁴ *Mahanagar Telephone Nigam Ltd. v M/s Rukma Decor and Construction Co.* 2026 SCC OnLine Del 5176.

³⁵ Arbitration and Conciliation Act 1996, s 43(3).

³⁶ Indian Contract Act 1872, s 28.

³⁷ Arbitration and Conciliation Act 1996, s 34.

³⁸ *Chief Engineer, Employees' State Insurance Corp. v Enarch Consultants Pvt. Ltd.* 2026 DHC 5562.

³⁹ *Supreme Advertising Pvt. Ltd. v Genus Power Infrastructures Ltd.* 2026 SCC OnLine Del 5226.

Act⁴⁰ permits the tribunal to correct only computational, clerical, typographical, and similar errors. The Court upheld a modified award where the tribunal had confined its corrections to such accidental errors without reopening the determination of liability or entitlement. It further observed that the relevant test is whether the tribunal has reopened the adjudicatory process, and not merely whether the numerical outcome of the award has changed.

6. A Facilitation Council cannot refer MSMED disputes to an individual arbitrator; it must arbitrate itself or refer to an institution.

The Himachal Pradesh High Court in *M/s Tynor Orthotics Pvt. Ltd. v Himachal Pradesh Micro & Small Enterprises Facilitation Council & Ors.*⁴¹ set aside an ex parte arbitral award and quashed the underlying reference in a dispute where the HP Micro and Small Enterprises Facilitation Council, after conciliation failed, referred a supplier's claim for recovery to an individually appointed arbitrator rather than either deciding the dispute itself or referring it to an arbitral institution or centre providing alternate dispute resolution services as required under Section 18(3) of the Micro, Small and Medium Enterprises Development Act, 2006, [“**MSMED Act**”].⁴²

The Court held that in the given situation, the Council exceeded its statutory powers and the award rendered was not a validly constituted arbitral award. In this regard, with reference to the question of the mandatory pre-deposit of 75 percent under Section 19 of the MSMED Act⁴³, the High Court has observed that the pre-condition of deposit presupposes the validity of the award, capable of legal recognition. It cannot, therefore, be used to make the party first depositing the amount to prove that the said award is *non-est*.

Where there is a case of nullity *ex facie*, a court under Section 34⁴⁴ or 37 of the Arbitration Act⁴⁵ has jurisdiction to adjudicate upon the same irrespective of non-compliance with the pre-deposit condition.

⁴⁰ Arbitration and Conciliation Act 1996, s 33.

⁴¹ *M/s Tynor Orthotics Pvt. Ltd. v Himachal Pradesh Micro & Small Enterprises Facilitation Council & Ors.* 2026 HHC 26951-DB.

⁴² Micro, Small and Medium Enterprises Development Act 2006, s 18(3).

⁴³ Micro, Small and Medium Enterprises Development Act 2006, s 19.

⁴⁴ Arbitration and Conciliation Act 1996, s 34.

⁴⁵ Arbitration and Conciliation Act 1996, s 37.

1. Non-Signatory shareholder held to be a veritable party to the arbitration agreement.

In *KKH Finvest Pvt. Ltd. v Ashiesh Shukla*,⁴⁶ the Supreme Court applied the ‘veritable party’ doctrine to hold that a non-signatory shareholder was bound by the arbitration agreement contained in a Memorandum of Settlement [“**MoS**”]. The MoS formed part of a corporate takeover under which the buyer agreed to acquire the complete shareholding of the sellers. Although Ashiesh Shukla was not a signatory to the MoS, he executed a separate Share Purchase Agreement [“**SPA**”] for the transfer of his shares.

After an arbitrator was appointed, Shukla and other non-signatories objected to their inclusion in the arbitration under Section 16 of the Arbitration and Conciliation Act, 1996⁴⁷ [“**Arbitration Act**”]. The appellant subsequently filed a Section 11⁴⁸ application seeking their reference to the same arbitration. The Delhi High Court referred the management members but excluded Shukla, relying on a clause in his SPA stating that the share transfer was independent of the MoS.

The Supreme Court reversed this finding. It noted that the SPAs of the management members contained identical clauses. Applying *Cox and Kings*,⁴⁹ the Court held that Shukla’s share transfer was fundamental to completing the MoS. It therefore found him to be a ‘veritable party’ to the MoS and amenable to arbitration.

2. Post-award Section 9 relief available to unsuccessful party in exceptional circumstances.

In *National Projects Construction Corporation Ltd. v Ishvakoo (India) Pvt. Ltd.*,⁵⁰ the Supreme Court held that an unsuccessful party in an arbitration can, in exceptional circumstances, seek post-award interim relief under Section 9 of the Arbitration Act.⁵¹ The dispute centered on bank guarantees furnished by the respondent for a mobilisation advance, which the appellant

⁴⁶ *KKH Finvest Pvt. Ltd. v Ashiesh Shukla* 2026 INSC 803.

⁴⁷ Arbitration and Conciliation Act 1996, s 16.

⁴⁸ Arbitration and Conciliation Act 1996, s 11.

⁴⁹ *Cox and Kings Ltd. v SAP India Pvt. Ltd.* 2023 SCC OnLine SC 1634.

⁵⁰ *National Projects Construction Corp. Ltd. v Ishvakoo (India) Pvt. Ltd.* 2026 INSC 828.

⁵¹ Arbitration and Conciliation Act 1996, s 9.

encashed. Although the arbitrator dismissed all the respondent's claims, the appellant had not filed a counterclaim, and the award lacked any finding that the advance was unutilised.

Pending a Section 34⁵² challenge, the respondent successfully obtained a Section 9 order requiring the appellant to deposit the encashed funds in court. Upholding this, the Supreme Court reiterated that while the threshold for granting such relief to an unsuccessful party is exceptionally high, Section 9 relief may be granted in rare and compelling circumstances.

Permitting the appellant to retain the funds without a counterclaim would result in unjust enrichment, justifying the interim deposit to preserve the efficacy of the Section 34 challenge.

3. Supreme Court holds prior election of HRERA remedy bars subsequent Section 9 proceedings in same dispute.

In *Neo Developers Pvt. Ltd. v Rahul Bhargava*,⁵³ the Supreme Court considered whether the respondents could invoke arbitration and seek interim measures under Section 9 of the Arbitration Act, after having first approached the Haryana Real Estate Regulatory Authority [“HRERA”]. The respondents had entered into Builder Buyer Agreements and Memoranda of Understanding concerning commercial spaces in the appellant's project. After default in assured returns and delay in the project, they approached HRERA and initiated execution proceedings following an order passed in their favour.

Subsequently, after receiving communications proposing to lease the properties and raising demands for development and fit-out charges, the respondents sought a Section 9⁵⁴ injunction restraining the appellant from creating third-party interests in the premises. The Commercial Court rejected the application, but the High Court granted the interim relief.

The Supreme Court restored the Commercial Court's order. It held that the respondents had elected to approach HRERA first and that the relief sought before HRERA and under Section 9 were substantially the same. The subsequent communications did not create a fresh cause of action for arbitration. The Court therefore held that the Section 9 proceedings could not continue and relegated the parties to HRERA.

⁵² Arbitration and Conciliation Act 1996, s 34.

⁵³ *Neo Developers Pvt. Ltd. v Rahul Bhargava* 2026 INSC 875.

⁵⁴ Arbitration and Conciliation Act 1996, s 9.

4. Parliamentary Committee calls for reforms to strengthen India International Arbitration Centre.

The 165th Report of the Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice, on the subject ‘Creation and Development of Institutional Mechanism to support the Alternative Dispute Resolution Ecosystem’, presented on 7 August 2026, sets out recommendations for strengthening India’s Alternative Dispute Resolution [“**ADR**”] ecosystem⁵⁵. A major focus is the India International Arbitration Centre [“**IIAC**”], with the Committee calling for an assessment of its performance, caseload and fee structure to ensure effective utilisation of public investment and improve its competitiveness with international institutions such as the Singapore International Arbitration Centre and the London Court of International Arbitration. It also recommends diversifying the IIAC’s arbitral panel, adopting global best practices and undertaking targeted outreach to Central Ministries, public sector undertakings and large corporations.

The Report also addresses institutional capacity, recommending expansion of the Delhi International Arbitration Centre’s physical infrastructure and administrative workforce. It calls for clearer guidelines to limit judicial intervention in arbitration and minimum digital standards to promote the use of technology, particularly beyond urban centres.

On mediation, the Committee recommends expediting the establishment of the Mediation Council of India and strengthening Pre-Institution Mediation through measures to discourage merely formal participation.

It further recommends uniform guidelines for Lok Adalats and stronger institutional support for the National Legal Services Authority. Finally, the Committee emphasises accreditation, standardised training and greater integration of ADR into legal education to develop ADR as a structured career pathway.

⁵⁵ Department-related Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice, *Creation and Development of Institutional Mechanism to support the Alternative Dispute Resolution Ecosystem*, 165th Report (Rajya Sabha 2026) <<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2296302®=48&lang=2>> accessed 28 August 2026.