



2026:DHC:1396



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**IN THE HIGH COURT OF DELHI AT NEW DELHI**

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*Judgment reserved on: 14.01.2026*  
*Judgment pronounced on: 18.02.2026*

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O.M.P. (COMM) 449/2025 & I.A. 27137/2025 (Stay)

H.S. NAG AND ORS .....Petitioners  
Through: Mr. Deepak Dhingra and Ms.  
Sneh Somani, Advocates.

versus

ASIAN HOTEL (NORTH) LTD .....Respondent  
Through: Ms. Aakanksha Kaul, Mr.  
Aman Sahani, Ms. Ashima  
Chopra and Mr. Saptarshi  
Sarmah, Advocates.

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O.M.P. (COMM) 460/2025 & I.A. 27594/2025 (Stay)

AJAY KUMAR RASTOGI .....Petitioner  
Through: Mr. Deepak Dhingra and Ms.  
Sneh Somani, Advocates.

versus

ASIAN HOTELS (NORTH) LTD .....Respondent  
Through: Ms. Aakanksha Kaul, Mr.  
Aman Sahani, Ms. Ashima  
Chopra and Mr. Saptarshi  
Sarmah, Advocates.

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O.M.P. (COMM) 475/2025 & I.A. 28187/2025 (Stay)

LATE MEENA RASTOGI THROUGH LRS .....Petitioner  
Through: Mr. Deepak Dhingra and Ms.  
Sneh Somani, Advocates.

versus

ASIAN HOTELS NORTH LTD .....Respondent  
Through: Ms. Aakanksha Kaul, Mr.  
Aman Sahani, Ms. Ashima



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Chopra and Mr. Saptarshi  
Sarmah, Advocates.

**CORAM:**  
**HON'BLE MR. JUSTICE HARISH VAIDYANATHAN  
SHANKAR**

## **J U D G M E N T**

### **HARISH VAIDYANATHAN SHANKAR, J.**

1. With the consent of the parties, all the aforesaid Petitions were taken up together for hearing. Since they arise out of the same Impugned Order and involve substantially similar grounds and issues, this Court proceeds to adjudicate them by way of the present consolidated judgment.

2. These Petitions have been filed under Section 34 of the **Arbitration and Conciliation Act, 1996<sup>1</sup>** assailing the **Orders dated 25.07.2025, 22.09.2025 and 09.10.2025<sup>2</sup>** passed by the Learned Sole Arbitrator, in arbitral proceedings titled “*M/S Regency Jewellers and twenty-five others (Batch-A &B)*” and “*Asian Hotels (North) Ltd. AND Asian Hotels (North) Ltd (Batch-C) and Madonna’s*”.

3. All the Petitions, *namely*, **O.M.P. (COMM) 449/2025, O.M.P. (COMM) 460/2025 and O.M.P. (COMM) 475/2025<sup>3</sup>**, arise out of the same arbitral proceedings and challenge the same Impugned Orders. The Petitioners in the present Petitions, *namely*, **H.S. Nag and Ors., Ajay Kumar Rastogi and Late Meena Rastogi through LRs<sup>4</sup>**, respectively, belong to the same Batch of claimants, *i.e.*, Batch B, before the Arbitral Tribunal.

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<sup>1</sup> Act

<sup>2</sup> Impugned Orders

<sup>3</sup> present Petitions

<sup>4</sup> Petitioners



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4. It is common ground that all the Petitioners had initially sought identical reliefs in their respective **Statement of Claims**<sup>5</sup> and had thereafter moved applications seeking identical amendments to their prayer clause of the SOC's.

5. The said applications for amendment, as well as subsequent review applications, having been disallowed by way of common orders, which are the Impugned Orders herein, the present Petitions were connected and taken up together for consideration.

**BRIEF FACTS:**

6. Shorn of unnecessary details, the facts leading to the present Petitions are as follows:

- (a) The present Petitions arise out of an arbitral proceeding between 25 Claimants, including the Petitioners, and **Asian Hotels (North) Ltd**<sup>6</sup>, pending adjudication of the dispute *inter se* the parties.
- (b) Upon filing of the SOC, the claimants were grouped into different batches based on the nature of relief sought. Initially, the Claimants were divided into two batches, *namely*, Batch-A and Batch-B, with Claimants within each batch seeking identical reliefs.
- (c) At the commencement of the proceedings, Claimant Nos. 1 to 22 (Batch-A) were represented by one set of counsel, whereas Claimant Nos. 23 to 26 (Batch-B) were represented by a separate set of counsel.
- (d) Subsequently, Claimant Nos. 23 to 25 also engaged counsel appearing for Batch-A. Over time, the composition of the

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<sup>5</sup> SOC

<sup>6</sup> Respondent



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batches crystallised such that Batch-A comprised Claimant Nos. 1 to 22, Batch-B comprised Claimant Nos. 23 to 25, and Batch-C comprised Claimant No. 26. One Claimant from Batch-A later withdrew from the proceedings upon settlement, leaving a total of 25 claimants before the learned Arbitrator.

- (e) The present Petitioners constitute Batch-B and comprise Claimant No. 23 (Late Meena Rastogi through LRs), Claimant No. 24 (Ajay Kumar Rastogi), and Claimant No. 25 (H.S. Nag & Ors.).
- (f) During the course of the arbitral proceedings, claimants from both batches, *i.e.*, Batch-A and Batch-B, filed applications seeking amendment of their respective SOC, with respect to the reliefs prayed therein.
- (g) On 25.07.2025, when the said applications were taken up for consideration, learned counsel appearing for Batch-B stated before the Arbitral Tribunal that the claimants of Batch-B did not wish to press their application for amendment and intended to prosecute their claims on the basis of their existing SOC, and therefore, their application for amendment may not be considered. The relevant portion of the Order dated 25.07.2025 records the said submissions as follows:

“.....It is noted that earlier common applications for amendment, and for amending such application for amendment, were moved in Claim nos. 1 to 25 but withdrawn on 24.05.2025. The Counsel clarified that no such applications are to be moved in matters relating to Claimant nos. 23 to 25 since they wish to prosecute the same on basis of existing pleadings.”

- (h) Consequently, by the said order, the learned Arbitrator allowed the amendment applications filed by Batch-A, permitting amendment to their SOC, while the application pertaining to



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Batch-B was dismissed in view of the statement recorded on their behalf.

- (i) It is the case of the Petitioners that the aforesaid statement was made due to miscommunication between the Petitioners and their counsel. According to the Petitioners, they had intended to seek amendments similar to those sought by Batch-A, except deletion of the alternate relief, and therefore had never intended to forgo amendment altogether.
- (j) Pursuant to the amended SOC filed by Batch-A, the Respondent filed its amended Statement of Defence.
- (k) By an Order dated 14.08.2025, the learned Arbitrator framed the Points of Determination and issued directions for filing affidavits of evidence, lists of witnesses, and fixed the next date of hearing for 09.10.2025.
- (l) Thereafter, on 08.09.2025, the Petitioners filed a fresh application seeking amendment of their SOC, along with an amended SOC broadly on the same lines as that permitted in respect of Batch-A, and requested that the application be taken up prior to the next scheduled date.
- (m) The said application was taken up on 22.09.2025, on which date the learned Arbitrator rejected the same, *inter alia*, on the grounds that the Petitioners had earlier stated that they did not intend to amend their pleadings and that the application was belated, having regard to the stage of the proceedings and the timelines stipulated under Section 29A of the Act. The relevant portion of the said order passed by the learned Arbitrator is reproduced herein under for ready reference:



“7. The proceedings at hand are governed by provisions contained in Arbitration and Conciliation Act, 1996. Section 29A stipulates the time limit for the making of arbitral award as "a period of twelve months from the date of completion of pleadings under sub-section (4) of section 23". The provision referred to in that clause, in turn, prescribes "a period of six months from the date the arbitrator or all the arbitrators, as the case may be, received notice, in writing of their appointment" for completion of the "statement of claim and defence". With consent of the learned Counsel for the parties, the pleadings in all twenty-six matters of Batch-A and Batch-B (except that of Claimant no. 14) were treated as completed (subject to filing of amended statements of Defence and Rejoinders in such wake), post the order dated 25.07.2025, and Issues were framed on 14.08.2025. Without doubt, this was much beyond the period of six months stipulated in statute but then this was with consent of all parties.

**8.** No doubt, sub-section (3) of Section 29A permits extension of time for completion of the arbitral process by another six months but then that is contingent upon both parties acting together "by consent" at the time when the statutory period of twelve months is expiring. An arbitral tribunal cannot permit delays to occur so as to let the period of twelve months to be frittered away in the hope that both parties would eventually agree with each other to exercise the discretion to extend by six months. Unlike the provision in Section 23(4), sub-section (4) of Section 29A mandates that "if the award is not made within the period specified in sub-section (1) or the extended period specified under sub-section (3), the mandate of the arbitrator(s) shall terminate". These consequences stipulated by law cannot be ignored. Thus, it is the bounding duty of the arbitral tribunal to ensure proceedings are held expeditiously and that no party indulges in dilatory tactics so as to defeat the mandate of law. It is with this in view that it has been repeatedly impressed upon the parties to assist for expeditious conclusion of the process, lastly by directions in (para 11 of) order dated 14.08.2025.

**9.** There is no inexhaustible right to amend the pleadings, not the least in arbitral process. The permissibility to "amend or supplement his claim or defence during the course of the arbitral proceedings", in terms of subsection (3) of section 23, is subject to scrutiny by the tribunal which may reject the move if it "considers it inappropriate to allow the amendment or supplement having regard to e delay in making it". A liberty was given by order dated 24.05.2025 in wake of withdrawal of common applications for amendment to move afresh but the applicants at hand (Claimant nos. 23 to 25) took a conscious call and informed on 25.07.2025 that they "wished to prosecute the Claim on basis of existing pleadings" and so forfeited the said



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liberty. The procedural steps of the kind under consideration are matters which cannot be at the mercy of whims or caprice of a party. There is no explanation offered as to why these applications had to be moved in the teeth of earlier such submissions forfeiting the opportunity. The plea that no prejudice shall be caused to the Respondent by such application being entertained because the proceedings are "in their infancy" is specious and not correct, to the knowledge of the learned Counsel who has drafted the applications. As noted above, with pleadings having been completed belatedly, the cases at hand are not in infancy. On the contrary, Issues have been framed and the time for submissions of affidavits in evidence is running for both sides. The matters have already reached the stage of trial to commence. The leisurely way of moving such applications without even explaining the reasons for delay is unacceptable. The delay in proceedings is the prejudice likely to be suffered.

**10.** The submissions that certain reliefs sought by the Claimants/Applicants have overlapped and thus may not require adjudication in the form claimed or further that there are certain mathematical errors by themselves do not justify the proceedings to be wound back to the initial stages for another round of amended pleadings to be invited. The overlap and errors (if any) can always be explained by evidence at trial.

**11.** For the foregoing reasons, the captioned applications are found to be unnecessary and portend to dilate and protract the proceedings and, therefore, dismissed.”

- (n) Aggrieved thereby, the Petitioners filed an application before the learned Arbitral Tribunal seeking review of its Orders dated 25.07.2025 and 22.09.2025. The said review application was rejected by the learned Arbitrator by Order dated 09.10.2025. The relevant portions of said order dismissing the review application are reproduced herein under:

“**6.** It is the plea of the applicants that the submissions recorded in proceedings of 25.07.2025 were as a result of miscommunication between them and the Counsel. It is stated that filing of the applications for amendment was necessitated since the advice given to the applicants were not correctly understood "due to the miscommunication/error". That this plea is an afterthought is clear from the very fact that there was not even a whisper of any such miscommunication in the averments in the three applications which were dismissed by the Order of which review is sought. The reasons stated in the said order of dismissal hold good. There is no error apparent on record which



might justify review. The applications at hand are found to be yet another endeavour to cause delay since they are also cited to seek deferment of the filing of affidavits in evidence the sufficient time granted for which has run out.

7. The applications are, thus, dismissed.”

7. It is these three Impugned Orders, *namely*, those dated 25.07.2025, 22.09.2025 and 09.10.2025, which are the subject matter of challenge before this Court in the present Petitions under Section 34 of the Act.

**SUBMISSIONS BY THE PARTIES:**

8. At the outset, learned counsel appearing on behalf of the Respondent would raise a preliminary objection as to the maintainability of the present Petitions under Section 34 of the Act.

9. Learned counsel for the Respondent would contend that the Impugned Orders, whereby the Arbitral Tribunal rejected the Petitioners’ applications seeking amendment of pleadings, do not partake the character of an interim award within the meaning of Section 31(6) of the Act. It would be urged that recourse under Section 34 of the Act is available only against an arbitral award, including an interim award, and since the Impugned Orders are purely procedural in nature and do not finally determine any substantive issue, claim or rights of the parties, the present Petitions are not maintainable.

10. In support of the aforesaid objection, learned counsel for the Respondent would place reliance on the decision of this Court in *Container Corporation of India Ltd. v. Texmaco Limited.*<sup>7</sup>, wherein it was held that an order rejecting an application for amendment of pleadings on the ground of delay does not constitute an interim award

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<sup>7</sup> 2009 SCC OnLine Del 1594



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and, consequently, is not amenable to challenge under Section 34 of the Act. It would be submitted that the principle enunciated therein applies squarely to the facts of the present case and concludes the issue of maintainability against the Petitioners.

11. Learned counsel would further submit that, in any event, the issues framed by the learned Arbitrator do not stipulate any specific rate or quantified amount of damages. Consequently, the amendments sought by the Petitioners were wholly inconsequential to the adjudicatory framework of the arbitration proceedings.

12. Learned counsel for the Respondent, in this backdrop, would urge that the Impugned Orders neither finally decide nor conclusively determine any issue or claim between the parties, but merely regulate the procedural course of the proceedings. It would be contended that such orders which do not substantially and finally determine the rights of the parties remain purely procedural in nature and, therefore, are incapable of being characterised as interim awards amenable to challenge under Section 34 of the Act.

13. Learned counsel for the Respondent would further place reliance upon the Judgement of the Division Bench of this Court in *Goyal MG Gases Pvt. Ltd. vs. Panama Infrastructure Developers Pvt. Ltd. & Ors.*<sup>8</sup>, to contend that not every order passed by an Arbitral Tribunal during the course of proceedings constitutes an arbitral award.

14. It would be emphasised that procedural orders passed to regulate the conduct of arbitration, such as those relating to the filing of pleadings, admission of documents, or other procedural aspects, do not finally determine any matter in dispute between the parties and, therefore, do not qualify as arbitral awards.

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<sup>8</sup> 2023 SCC OnLine Del 1894



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15. Learned counsel would therefore submit that since the Impugned Orders merely reject the Petitioners' applications for amendment and do not adjudicate any substantive issue or claim on merits, the same are purely procedural in nature and fall outside the ambit of challenge under Section 34 of the Act.

16. Learned counsel for the Respondent would further place reliance upon the decision of the Coordinate Bench of this Court in *Rhiti Sports Management Private Limited vs. Power Play Sports & Events Limited*<sup>9</sup>, to submit that an order can qualify as an arbitral award, whether final or interim, only if it finally settles a matter in controversy between the parties.

17. It would be emphasised that procedural orders, which do not conclusively determine any substantive issue or dispute but merely regulate the conduct of arbitral proceedings, cannot assume the character of an arbitral award. Learned counsel would further rely upon Paragraph No. 23, which draws support from an earlier Judgement of this Court in *Shyam Telecom Ltd. Vs. Icomm Ltd.*<sup>10</sup>, to submit that an interim award must partake the colour of a final award inasmuch as it finally determines rights of the parties on a matter in issue, a test which the Impugned Orders herein clearly fail to satisfy.

18. It would further be contended that the amendments sought by the Petitioners were, in any event, not substantive in character. In respect of one the claims, the Petitioners merely sought deletion of the quantified amount originally pleaded, while in respect of the remaining claims, the proposed amendments were confined to a reduction in the quantum of compensation or damages claimed.

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<sup>9</sup> 2018 SCC OnLine Del 8678

<sup>10</sup> (2010) 116 DRJ 456



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19. It would therefore be urged that the rejection of such amendments neither adjudicates any issue on the merits nor results in any final determination between the parties. Equally, such rejection does not foreclose the Petitioners from leading evidence in support of a claim for a lesser amount than that originally quantified.

20. Learned counsel for the Respondent, to fortify the aforesaid submission, would draw the attention of this Court to the Order dated 14.08.2025 passed by the Arbitral Tribunal, which preceded the disallowance of the Petitioners' application seeking amendment *vide* Order dated 22.09.2025, whereby the Point of Determination governing the disputes *inter se* the parties was framed by the learned Arbitrator.

21. It would be contended that the said Points of Determination were consciously structured and framed in a manner that rendered the amendments sought for by the Petitioners wholly redundant and inconsequential to the adjudication of the disputes. Learned counsel would, in particular, submit that the Points of Determination framed do not stipulate any specific rate or quantified amount of damages or compensation, the same having been deliberately kept open by the learned Arbitrator to be determined on the basis of evidence adduced by the parties and the adjudication thereupon.

22. Learned counsel would also bring to the notice of this Court that the relevant Points of Determination, insofar as they pertain to the reliefs sought, are expressly marked with the notation "*OPC*", thereby unequivocally placing the onus of proof upon the Claimants therein, *namely*, the Petitioners.

23. Learned Counsel for the Respondent would further rely upon the decision of a Coordinate Bench of this Court in ***Punita Bhardwaj v.***



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*Rashmi Juneja*<sup>11</sup>, wherein the Court was seized of a challenge under Section 34 of the Act to an order disallowing an application for amendment of pleading.

24. It would further be contended that an Arbitral Tribunal is expressly vested with discretion under Section 23(3) of the Act to refuse amendment or supplementation of pleadings on the ground of delay. Such rejection, it was urged, is purely procedural in nature and does not amount to a final adjudication of any substantive rights of the parties.

25. Learned Counsel for the Respondent would also advert to the decision in *NTPC Ltd. v. L&T & Anr.*<sup>12</sup>, which followed the ratio laid down in *Punita Bhardwaj (supra)*, wherein this Court declined to entertain a petition under Section 34 of the Act challenging an order rejecting an amendment application on the ground of delay, holding that such an order does not partake the character of an interim award.

26. Learned counsel for the Respondent, applying the aforesaid principles to facts of the present case, would submit that the learned Arbitrator rejected the Petitioners' applications for amendment solely on the ground of delay, in exercise of discretion statutorily conferred under Section 23(3) of the Act, and that such rejection does not finally determine any claim or defence so as to attract the rigours of Section 34 of the Act.

27. **Per contra**, learned counsel appearing on behalf of the Petitioners would submit that the preliminary objection raised by the Respondent is fundamentally misconceived and rests on a narrow, hyper-technical construction of the Act. It would be contended that the

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<sup>11</sup> 2022 SCC OnLine Del 2691

<sup>12</sup> 2023:DHC:2154



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Respondent, by placing undue emphasis on the nomenclature of the Impugned Orders as procedural, seeks to elevate form over substance, while overlooking the legal effect and operative consequences of the Impugned Orders.

28. Learned counsel for the Petitioners would further submit that the true test is not the label affixed to the orders, but whether they conclusively and finally determine substantive rights of the parties, and in the present case, the Impugned Orders, by irrevocably foreclosing the Petitioners' entitlement to amend their SOC, decisively affect their rights and the manner in which their claims may be adjudicated. On this premise, it would be urged that the Impugned Orders partake the character of interim awards within the meaning of Section 31(6) of the Act and are, therefore, amenable to challenge under Section 34 of the Act.

29. In support of the aforesaid submission, learned counsel would place reliance on the judgment of the Hon'ble Supreme Court in *Indian Farmers Fertilizer Cooperative Ltd. v. Bhadra Products*<sup>13</sup> [*IFFCO*], to contend that an interim award is not confined to a final determination of the entire dispute, but may also conclusively decide any issue or matter forming part of the arbitral proceedings.

30. It would also be submitted that the Hon'ble Supreme Court has authoritatively held that the expression "any matter" occurring in Section 31(6) of the Act is of wide amplitude and includes any point of dispute between the parties which the Arbitral Tribunal is competent to finally determine.

31. Relying upon the said principle, learned counsel would contend that where an order of the Arbitral Tribunal finally and irrevocably

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<sup>13</sup> (2018) 2 SCC 534



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forecloses a party's right to amend its pleadings and pursue its claims in the manner sought, such an order is not a mere procedural direction, but one which conclusively determines a matter in issue, and therefore squarely answers the description of an interim award amenable to challenge under Section 34 of the Act.

32. Learned counsel for the Petitioners, further addressing the objection with respect to maintainability, would also rely upon the Judgement of the Hon'ble Supreme Court in *Lt. Col. H.S. Bedi Retd. & Ors. v. STCI Finance Ltd.*<sup>14</sup>, to contend that the true test is not the nomenclature of the order, but its substance and effect. It would be submitted that the Hon'ble Supreme Court has held that where an order passed by the Arbitral Tribunal conclusively determines an issue or finally affects the rights of the parties, such an order would partake the character of an interim award, notwithstanding that it is rendered at an intermediate stage of the arbitral proceedings.

33. Applying the said principle, learned counsel would contend that the Impugned Orders, by finally rejecting the Petitioners' applications for amendment and thereby foreclosing the Petitioners from pursuing their claims in the manner sought, conclusively determine a matter in issue and are thus amenable to challenge under Section 34 of the Act.

34. Learned counsel for the Petitioners would thereafter proceed to address the merits of the present Petitions and submit that the arbitral proceedings comprise two distinct sets of claimants, *namely*, Batch-A and Batch-B, *i.e.*, the present Petitioners, both of whom had filed applications seeking amendment of their respective SOC prior to the framing of issues.

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<sup>14</sup> 2020:DHC:3495



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35. It would be urged that while the amendment applications preferred by Batch-A were allowed by the learned Arbitrator *vide* Order dated 25.07.2025, the applications filed by the Petitioners came to be rejected. Learned counsel would therefore submit that this has resulted in manifestly unequal treatment, notwithstanding that the reliefs sought were substantially similar and the applications were moved at an identical procedural stage in the arbitral proceedings.

36. Learned counsel for the Petitioners would further submit that the rejection of the Petitioners' amendment applications proceeded on an erroneous assumption that the Petitioners had undertaken not to seek any amendment.

37. Learned counsel would submit that such an observation was founded upon a miscommunication between the Petitioners and their counsel and that the Petitioners had never intended to forgo amendment altogether, rather, they had merely indicated that, unlike Batch-A claimants, they did not seek to incorporate a relief of specific performance. The impugned rejection, it would be urged, therefore rests on a mistaken factual premise, which has materially prejudiced the Petitioners' right to pursue their claims in an appropriate and clarified form, and calls for this Court's intervention under Section 34 of the Act.

38. Learned counsel for the Petitioners would further submit that the Impugned Orders suffer from patent illegality and therefore warrants interference of this Court under Section 34 of the Act. It would be contended that the learned Arbitrator, while dismissing the amendment applications as well as the subsequent review applications, passed an inadequately reasoned order, only stating that the application for amendment of pleading was barred by limitation



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and placed undue reliance on Section 29A of the Act and the alleged time constraints, without appreciating that the arbitral proceedings were still at a nascent stage.

39. It would also be pointed out that pleadings had been completed only on 25.07.2025, issues had not been framed at the time of filing the amendment applications, and the statutory period under Section 29A was available till July 2026, extendable by a further six months.

40. Learned counsel, while concluding, would contend that permitting the arbitral proceedings to continue without allowing the Petitioners to amend their claims would render the entire exercise futile, as the Petitioners would be compelled to prosecute claims on an artificial footing, ultimately leading to multiplicity of proceedings and avoidable prejudice. It would, therefore, be submitted that the Impugned Orders suffer from patent illegality and warrant interference under Section 34 of the Act.

41. *In rejoinder to the preliminary objections*, the learned counsel for the Respondent would further invite the attention of this Court to the factual matrix and corresponding legal reasoning in *H.S. Bedi (supra)* and *IFFCO (supra)*, in order to distinguish the reliance placed thereon by the Petitioners. Learned counsel for the Respondent would, therefore, contend that the ratio of the aforesaid decisions cannot be mechanically invoked, as these cases pertain to orders which conclusively adjudicated substantive issues between the parties.

42. Learned counsel for the Respondent would further place a negative reliance upon the decision of this Court in *Cinevistaas Ltd. v. Prasar Bharti*<sup>15</sup> to contend that the Court has exercised caution in treating an order rejecting an amendment application as an interim

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<sup>15</sup> 2019 SCC OnLine Del 7071



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award. It would be submitted that in *Cinevistaas (supra)*, the order was held to partake the character of an interim award only because the rejection of the amendment conclusively foreclosed the claim relating to the quantum sought to be introduced, thereby attaching finality to that aspect of the dispute.

43. In contradistinction, it would be urged that in the present case, the Points of Determination framed by the learned Arbitrator explicitly keep open the question of quantum of damages, compensation and rate of interest, to be determined on the basis of evidence led by the parties. The Impugned Orders, therefore, do not finally extinguish or conclusively decide any quantified claim, but merely regulate the manner in which the pleadings stand. Consequently, it was submitted that the reliance on *Cinevistaas (supra)* clearly draws the distinction as to why the Impugned Orders are not to be termed as ‘interim orders’.

44. Learned counsel for the Respondent, in the backdrop of these negative reliances, would contend that the aforesaid decisions, far from lending support to the Petitioners’ case, in fact operate to their detriment.

45. Learned counsel would submit that in aforesaid decisions, the orders under challenge were found to affect substantive rights of the parties and to attach finality to distinct components of their claims or defences, whereas the present matter stands on a different footing, since the Impugned Orders in the present matter do not conclusively determine any claim, issue, or substantive right *inter se* the parties, but merely decline amendment on procedural considerations. As such, they remain within the realm of procedural directions and cannot be



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elevated to the status of interim awards and hence, fall outside the ambit of Section 34 of the Act.

46. Further, learned counsel for the Respondent, advertent to the submissions advanced by the Petitioners on merits, would contend that the Impugned Orders neither suffer from patent illegality nor can they be said to be in conflict with the public policy of India.

47. Further, despite such liberty and the opportunities that were granted, the Petitioners, as recorded in the Order dated 25.07.2025, expressly stated that they did not wish to amend the SOC and would proceed on the basis of the pleadings already on record. In this backdrop, it would be submitted that the rejection of the subsequent amendment applications on the ground of delay was well within the discretionary domain of the learned Arbitrator and does not warrant interference under Section 34 of the Act.

48. Learned counsel for the Respondent would vehemently refute the allegation of patent illegality and submit that the Impugned Orders disclose a conscious and reasoned exercise of discretion by the learned Arbitrator.

49. It would be contended that the Arbitrator did not reject the amendment applications on a mechanical invocation of limitation, but after taking into account the stage of the proceedings, the earlier withdrawal of similar applications, and the express statement of the Petitioners that they would proceed on the basis of the pleadings already filed. The reliance placed on Section 29A of the Act by the Learned Arbitrator, it would be urged, was neither misplaced nor undue, but reflective of the statutory mandate that arbitral proceedings be conducted in a time-bound manner and without avoidable delays.



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50. Learned counsel for the Respondent, while concluding, would submit that the application for amendment was in fact filed belatedly and that the mere fact that pleadings had recently been completed or that the outer timeline under Section 29A had not yet expired does not *ipso facto* confer an unfettered right to amend. The discretion under Section 23(3) of the Act vests squarely with the Arbitral Tribunal, and the Petitioners cannot seek to convert a procedural determination into a jurisdictional error.

51. It would thus be contended that the Impugned Orders neither disclose perversity nor contravene any fundamental policy of Indian law. The applications for amendment were filed at a belated stage and their dismissal on the ground of delay does not merit the interference of this Court under the circumscribed scope of Section 34 of the Act.

**ANALYSIS:**

52. Heard the learned counsel for parties at length and, with their able assistance, perused the material available on record.

53. The aforestated contentions, submissions and reliances of the learned counsel for both the parties, as noticed hereinabove, crystallise into a narrow yet determinative jurisdictional issue bearing upon the maintainability of the present Petitions.

54. The Respondent asserts that the Impugned Orders are in the nature of procedural directions, which do not attract the interference of this Court under Section 34 of the Act. The Petitioners, on the other hand, contend that though coloured as procedural, the Impugned Orders operate with finality, affecting their substantial rights, thereby assuming the character of interim awards.

55. In this backdrop, before embarking upon an examination of the merits, this Court deems it apposite to first address the preliminary



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objection as to the maintainability, since the adjudication upon the merits of the present Petitions necessarily hinges upon whether the Impugned Orders are amenable to challenge under Section 34 of the Act.

56. In view of the apparent divergence in approach, discernible from various precedents and the consequent uncertainty surrounding the question as to what constitutes an ‘interim award’, this Court deems it apposite to examine the statutory scheme, the governing jurisprudence as established by various judicial precedents, with some degree of clarity.

57. Accordingly, the discussion that follows is organised along three distinct yet interrelated facets, *viz.*, *first*, the scope and limits of judicial interference permissible under Section 34 of the Act *vis-à-vis* an Order passed in the course of arbitral proceedings; *second*, the legal contours and attributes of what constitutes an ‘Interim Award’; and *third*, whether the Impugned Orders, when examined on the touchstone of the settled principles, satisfy the parameters so as to fall within the ambit of an ‘Interim Award’ amenable to challenge under Section 34 of the Act.

**Interference under Section 34 of the Act extends to an Arbitral Award, including an ‘Interim Award’**

58. It is well settled that the jurisdiction under Section 34 of the Act is neither appellate nor supervisory in the conventional sense. The Court does not sit in appeal over the findings of the Arbitral Tribunal, nor does it re-appreciate evidence or correct errors of fact or law, save where such errors fall within the narrowly tailored grounds statutorily prescribed. The provision thus reflects a conscious legislative



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departure from expansive judicial review and is rooted in the principle of party autonomy and finality of arbitral adjudication.

59. The Hon'ble Supreme Court, *inter alia*, in a catena of decisions including *Dyna Technology Private Limited v. Crompton Greaves Limited*<sup>16</sup>, has succinctly crystallised the legal position governing the scope of interference under Section 34 of the Act. The relevant observations, in *Dyna Technology (supra)*, which delineate the contours of judicial review in arbitral matters, are reproduced below for ready reference:

“24. There is no dispute that Section 34 of the Arbitration Act limits a challenge to an award only on the grounds provided therein or as interpreted by various courts. We need to be cognizant of the fact that arbitral awards should not be interfered with in a casual and cavalier manner, unless the court comes to a conclusion that the perversity of the award goes to the root of the matter without there being a possibility of alternative interpretation which may sustain the arbitral award. Section 34 is different in its approach and cannot be equated with a normal appellate jurisdiction. The mandate under Section 34 is to respect the finality of the arbitral award and the party autonomy to get their dispute adjudicated by an alternative forum as provided under the law. If the courts were to interfere with the arbitral award in the usual course on factual aspects, then the commercial wisdom behind opting for alternate dispute resolution would stand frustrated.

25. Moreover, umpteen number of judgments of this Court have categorically held that the courts should not interfere with an award merely because an alternative view on facts and interpretation of contract exists. The courts need to be cautious and should defer to the view taken by the Arbitral Tribunal even if the reasoning provided in the award is implied unless such award portrays perversity unpardonable under Section 34 of the Arbitration Act.”

60. Further, Section 2(1)(c) of the Act defines the expression ‘Arbitral award’, which expressly includes interim awards. Section 2 of the Act is reproduced herein under for the sake of clarity:

“2. **Definitions.** —

(1) In this Part, unless the context otherwise requires, —

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<sup>16</sup> (2019) 20 SCC 1



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(c) “arbitral award” includes an interim award;”

61. A conjoint reading of Section 2(1)(c) and Section 34 of the Act makes it abundantly clear that the jurisdiction of the Court under Section 34 extends to the setting aside of an interim award as well, provided such interim award satisfies the statutory requirements and falls within the limited grounds expressly enumerated under Section 34 of the Act and their consistent interpretations by the Courts.

62. To complete the scheme of the Act, Section 31(6) of the Act is also material. It empowers an Arbitral Tribunal to render an interim award at any stage of the arbitral proceedings, prior to the pronouncement of the final award, in respect of any matter on which it may make a final determination. The same is reproduced herein under for the sake of completeness:

**“31. Form and contents of arbitral award. —**

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(6) The arbitral tribunal may, at any time during the arbitral proceedings, make an interim arbitral award on any matter with respect to which it may make a final arbitral award.”

63. A holistic reading of the aforesaid statutory provisions leads to two clear and inescapable conclusions. *First*, that an Arbitral Tribunal is vested with the authority to render an interim award during the pendency of the arbitral proceedings, prior to the culmination of final adjudication. *Second*, that such interim awards, being statutorily subsumed within the definition of an arbitral award, are amenable to judicial scrutiny under Section 34 of the Act, subject to the same limited and well-settled grounds on which a final arbitral award may be interfered with.



64. At the same time, it must be underscored that though the statute includes an ‘interim award’ within the ambit of an arbitral award, it does not follow that every interlocutory or procedural order passed during arbitral proceedings partakes such character.

65. However, this statutory inclusion does not efface the fundamental distinction between a determination that conclusively adjudicates an issue and, a direction that merely regulates the conduct of proceedings. It is this nuanced yet decisive distinction that now warrants closer judicial scrutiny.

**Distinction between a Procedural Order and an Interim Award passed by an Arbitral Tribunal**

66. Having thus established that the jurisdiction of this Court under Section 34 of the Act extends, in principle, to an interim arbitral award, the enquiry must now turn to the equally significant question, *namely*, what, in law, qualifies as an ‘interim award’.

67. Further, since the Act does not expressly define what constitutes an ‘interim award’, this Court deems it necessary to advert to the judicially evolved principles which illuminate its nature, attributes and legal contours. The classification of an order cannot depend upon nomenclature alone but must be determined by its substance and legal effect.

68. The Hon’ble Supreme Court in *IFFCO (supra)*, while authoritatively interpreting the expression ‘interim award’, held that an Arbitral Tribunal is empowered under Section 31(6) of the Act to render an interim award on any matter in respect of which it is competent to make a final award. The Court clarified that the expression “*any matter*” is of wide import and encompasses any point of dispute between the parties that calls for a definitive adjudication.



69. At the same time, the decision underscores that such a determination must possess the element of finality in respect of the issue decided, so as to qualify as an interim award within the statutory framework. The relevant observations of *IFFCO (supra)* are extracted herein under for ready reference:

“8. The language of Section 31(6) is advisedly wide in nature. A reading of the said sub-section makes it clear that the jurisdiction to make an interim arbitral award is left to the good sense of the arbitral tribunal, and that it extends to “any matter” with respect to which it may make a final arbitral award. The expression “matter” is wide in nature, and subsumes issues at which the parties are in dispute. It is clear, therefore, that any point of dispute between the parties which has to be answered by the arbitral tribunal can be the subject matter of an interim arbitral award. However, it is important to add a note of caution. In an appropriate case, the issue of more than one award may be necessitated on the facts of that case. However, by dealing with the matter in a piecemeal fashion, what must be borne in mind is that the resolution of the dispute as a whole will be delayed and parties will be put to additional expense. The arbitral tribunal should, therefore, consider whether there is any real advantage in delivering interim awards or in proceeding with the matter as a whole and delivering one final award, bearing in mind the avoidance of delay and additional expense. Ultimately, a fair means for resolution of all disputes should be uppermost in the mind of the arbitral tribunal.

9. To complete the scheme of the Act, Section 32(1) is also material. This section goes on to state that the arbitral proceedings would be terminated only by the final arbitral award, as opposed to an interim award, thus making it clear that there can be one or more interim awards, prior to a final award, which conclusively determine some of the issues between the parties, culminating in a final arbitral award which ultimately decides all remaining issues between the parties.”

70. The Hon’ble Supreme Court, in the aforesaid judgment, underscored that although arbitral proceedings culminate only upon the pronouncement of the final award, the statutory scheme unmistakably contemplates rendering of one or more interim awards during their pendency. Such interim awards are not mere procedural directions, rather they are determinations that finally and conclusively



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adjudicate specific issues or claims between the parties. The interim orders decisively settle the discrete facets of the dispute, and thus, progressively narrow the field of controversy and pave the way toward the final award.

71. In *Cinevistaas (supra)*, a Coordinate Bench of this Court, drawing sustenance from the principles enunciated by the Hon'ble Supreme Court in *Shah Babulal Khimji vs. Jayaben D. Kania*<sup>17</sup>, elucidated that the determinative touchstone for ascertaining whether an order of an Arbitral Tribunal qualifies as an 'interim award' lies in examining whether the order conclusively determines, or directly and substantially impacts, the rights of the parties. It was observed that only such determinations which finally settle a substantive issue or crystallise a component of the dispute can be elevated to the status of an interim award. Conversely, orders that merely regulate procedure, manage the conduct of proceedings, or remain ancillary to the final adjudication do not acquire the attributes of an interim award. The relevant paragraph of *Cinevistaas (supra)* is reproduced below:

“35. Arbitral proceedings are not meant to be dealt with in a straightjacket manner. Arbitral proceedings cannot also be conducted in a blinkered manner. There could be various situations wherein, due to inadvertent or other errors, applications for amendments/corrections may have to be moved. So long as the disputes fall broadly within the reference, correction and amendments ought to be permitted and a narrow approach cannot be adopted. The principles of Shah Babulal Khimji (supra) would have greater application in arbitral proceedings as the said judgment lays down the principle, that the substantive rights affected ought to be seen, while determining what kind of orders are challengeable. An interim order of the present kind rejecting a large number of additional amounts/claims would constitute an interim award under Section 2(1)(c) of the Act.

36. In the facts of this case, it is clear that the quantification of claims was done correctly in the notice invoking arbitration, in the

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<sup>17</sup> (1981) 4 SCC 8



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application under Section 11 as also in the writ petition filed by the Petitioner. The rejection of the additional claims has in fact resulted in greater delay rather than expeditious disposal. The bona fides of the Petitioner are not in question. Rejection of additional claims by the impugned order have all the trappings of an award and hence the Section 34 petition is clearly maintainable. On the basis of the tests laid down in *Shah Babulal Khimji (supra)*, the rejection of the application to add or expand the amounts claimed under certain heads results in a conclusive determination that the said claims cannot be adjudicated. Thus, there is not just formal adjudication but in fact a final rejection of the said claims. This constitutes a dismissal of the claims and hence would constitute an award within the meaning of Section 2(1)(c) of the Act.”

*(emphasis supplied)*

72. Another coordinate bench of this Court, in *ONGC Petro Additions Limited vs. Technimont S.P.A. & Anr.*<sup>18</sup>, has authoritatively held that the decisive test for determining whether an order assumes the stature of an interim award hinges upon two interwoven considerations, viz., (i) the element of finality, and (ii) the conclusive determination of an issue forming part of the arbitral reference. The Court clarified that an order would qualify as an interim award only where it finally and conclusively adjudicates upon a substantive issue in dispute between the parties. An order may well attain finality *qua* the application disposed of by the Tribunal, however, unless it conclusively resolves a component of the arbitral controversy itself, it does not satisfy the statutory threshold. The mere fact that an application stands finally decided does not, by itself, elevate such determination to the status of an ‘arbitral award’ within the meaning of Section 2(1)(c) of the Act. The relevant extract of the said judgment is reproduced below:

“13. In the present case, the impugned order does not decide or finally dispose of any issue. Dr. Singhvi has attempted to overcome the objection of maintainability by focusing on the

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<sup>18</sup> O.M.P. (COMM) 424/2020



question of finality of the decision. He has also relied upon certain decisions to contend that the right to lead evidence is a valuable right and is inherently related to due process and fairness in proceedings. There may not be much quarrel on this proposition in law, however, the Court has to be mindful of the fact that the order impugned in the present petition is nothing but a procedural order. The Arbitral Tribunal while passing such procedural order may determine certain valuable rights of the parties. However, it does not mean that such determination renders an order to be an award within the meaning of Section 2(1)(c) of the Act. The determination of a valuable right in any legal proceedings would not necessarily result in an immediate actionable right. In order to ascertain whether an order is an interim award or partial award, the two most important factors that would weigh upon the Court are the concept of “finality” and “issue”. If the nature of the order is “final” in a sense that it conclusively decides an issue in the arbitration proceedings, the order would qualify to be an interim award. This is not the situation in the present case. The impugned order only rejects OPaL’s application for placing additional documents on record. It does not decide an issue or the subject matter of adjudication between the parties. The arbitral tribunal has only decided the question as to whether the Petitioner would be permitted to file additional documents at a later stage. The order impugned though conclusively determines the application, however, it cannot be said that the subject matter of arbitration and the rights of the parties in respect thereof have been finally determined. One cannot ignore the fact there is no provision under the Act that permits OPaL to challenge a procedural order passed by the Arbitral Tribunal. For an order to qualify as an “award”, the test of finality is undoubtedly essential, but that does not mean that any final view of the Arbitral Tribunal would come within the ambit of an “award”. Dr. Singhvi also argued that the Courts should always step in to advance the cause of justice. He submitted that there may not be any case law directly dealing with identical or similar facts but that should not prevent the Court to adopt an incremental progressive attitude towards development of law. The argument is outwardly attractive and enchanting but, I feel that there are no milestones that the Court has to accomplish. The role of the Court is to interpret the law and apply it to the facts of the case. Imagine the scenario, where the Court’s perspective on growth in law runs counter to the legislative intention that is in sync with the modern trends. If the Act does not permit a challenge at this stage, the Court would not take upon itself the burden to adopt an approach that is perceived to be a rational one. The Court has the bounden duty to apply the law as it exists and not interpret it merely because it appears to be a more satisfactory view. I cannot create an opening, if the door is tightly shut. If the law permits an entry, only then the Court can decide the extent for



opening the door. The Courts may advance development of law, but that cannot be achieved by assuming the role of a legislator. Such move should be well guarded and well considered. It is critical that Courts do not go beyond the legislative intent. The Courts would also not remove the deficiencies, if such are shown to exist in a legislation. It is for the legislature to make amends. Heavy weight of the claims does not allow the Court to lift the bar or bend it to suit a particular view. I also have reservations to say that permitting a challenge to final decisions on procedural aspects would be a progressive approach. Under the current scheme of the Act, the intent is clear that such matters be left for the Arbitral Tribunal to decide. The crux of the matter regarding the question of maintainability cannot be clouded by reasons and grounds that touch upon matters of merits. I also cannot see any opening granted by the Court in *Cinevistaas* (*supra*) that can be widened to allow this petition, no matter how strong the case may be on merits.”

*(emphasis supplied)*

73. Further, in *Goyal MG Gases Pvt. Ltd. (supra)*, the Division Bench of this Court reiterated and refined the governing principles for determining whether an order passed by an Arbitral Tribunal qualifies as an interim award. It was held that an order can be regarded as an award or interim award only when it decides a substantive dispute existing between the parties and bears the attributes of a decision on the merits. The Court emphasised that to qualify as an award, the determination must conclusively settle a dispute pertaining to a core or vital issue forming part of the arbitral reference. The relevant portion of the said judgment reads as follows:

“20. It is reflecting that an order would said to be an award or interim award when it decides a substantive dispute which exists between the parties. It is essential before an order can be understood as an award that it answers the attributes of the decision on the merits of the dispute between the parties or accords in conclusively settling a dispute which pertains to core issue. Therefore to qualify as an award it must be with respect to an issue which constitutes a vital aspect of the dispute. As held in the case of *Rhiti Sports* the order passed by the arbitral tribunal would have the attributes of an interim award when same decides the matters of moment' or disposes of a substantive claim raised by the parties. Accordingly, an order passed by the Arbitral Tribunal rejecting the



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application for impleadment neither decides the substantive question of law nor touches upon the merits of the case. The impugned order, as such, has not travelled the distance to answer the attributes of determination of an issue.”

*(emphasis supplied)*

74. In *MBL Infrastructure Limited vs. Rites Limited & Anr.*<sup>19</sup>, the Division Bench of this Court reiterated the principles as established in the *IFFCO* (*supra*). The relevant paragraph of the said judgment is reproduced herein under for ready reference:

“45. In our view, the extract from the judgement of the Supreme Court in *IFFCO case* (*supra*) is clear and categorical. A decision of an Arbitral Tribunal which brings a quietus to an issue before it and is an order which the Arbitral Tribunal is empowered to pass at the final stage would constitute an interim award within the meaning of Section 31(6) as also Section 34 of the Act.”

75. The common thread running through the aforesaid decisions is that the twin pillars of ‘*finality*’ and ‘*substantive issue determination*’ form the bedrock of the test. An order that merely regulates procedure, even if it affects a valuable right, does not cross the statutory threshold unless it conclusively determines a substantive component of the arbitral reference.

76. In view of the foregoing discussion, it stands well settled that an interim award must bear the hallmark of finality in respect of the issue it addresses. The determinative consideration is whether the arbitral tribunal has conclusively adjudicated a substantive component of the dispute and rendered itself *functus officio qua* that issue. If nothing further remains to be decided on that aspect within the arbitral proceedings, such a determination would fall within the ambit of an interim award and would be amenable to challenge under Section 34

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<sup>19</sup> 2023 SCC OnLine Del 2736



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of the Act, notwithstanding that the arbitration continues in respect of other matters.

77. Therefore, the question as to whether an order constitutes an ‘interim award’ is no longer *res integra*. The determination does not hinge upon the nomenclature employed by the Arbitral Tribunal, but upon the substance, effect, and legal consequences of the order in question. The Court must examine whether the order conclusively adjudicates a substantive issue between the parties at an intermediate stage of the proceedings, thereby leaving nothing further to be decided on that issue.

### **Nature of the Impugned Orders: Procedural or Interim Award**

78. Having delineated the statutory framework and crystallised the principles as to what constitutes an ‘interim award’ within the meaning of Sections 2(1)(c) and 31(6) of the Act, this Court now proceeds to examine whether the Impugned Orders, in substance and effect, meet the settled parameters so as to attract the jurisdiction of this Court under Section 34 of the Act.

79. In this backdrop, this Court shall now examine the rival submissions advanced by learned counsel for the parties and the judicial precedents relied upon by them.

80. Learned Counsel for the Petitioners primarily relied upon the Judgement of the Hon’ble Supreme Court in *IFFCO (supra)* to draw force from the interpretation of the expression ‘interim award’. In this decision, the order passed by the learned Arbitrator affirming that the claims of the claimant therein had not become time-barred was held to be an interim award by the Apex Court. In light of this, the Petitioners placed reliance on the said decision to substantiate their contention



that the order passed in the present case as well falls within the ambit of an interim award.

81. However, the reliance placed upon *IFFCO (supra)*, in the considered view of this Court, is clearly distinguishable on the facts. In the said case, the arbitral tribunal had framed the issue of limitation as a preliminary issue and proceeded to finally determine the same. The decision on limitation conclusively adjudicated upon a substantive issue, which was framed and decided as a preliminary issue and therefore attained finality, leaving nothing further for the Tribunal to decide on that aspect. It was in these circumstances that the Hon'ble Supreme Court held that such a determination constituted an 'interim award'. The relevant portions, specifically Paragraph Nos. 9 to 13, of the said decision are reproduced herein under for ready reference:

“9. To complete the scheme of the Act, Section 32(1) is also material. This section goes on to state that the arbitral proceedings would be terminated only by the final arbitral award, as opposed to an interim award, thus making it clear that there can be one or more interim awards, prior to a final award, which conclusively determine some of the issues between the parties, culminating in a final arbitral award which ultimately decides all remaining issues between the parties.

10. The English Arbitration Act, 1996, throws some light on what is regarded as an interim award under English Law. Section 47 thereof states:

“47. Awards on different issues, & c.—(1) Unless otherwise agreed by the parties, the tribunal may make more than one award at different times on different aspects of the matters to be determined.

(2) The tribunal may, in particular, make an award relating—

(a) to an issue affecting the whole claim, or

(b) to a part only of the claims or cross-claims submitted to it for decision.

(3) If the tribunal does so, it shall specify in its award the issue, or the claim or part of a claim, which is the subject-matter of the award.”



11. By reading this section, it becomes clear that more than one award finally determining any particular issue before the Arbitral Tribunal can be made on different aspects of the matters to be determined. A preliminary issue affecting the whole claim would expressly be the subject-matter of an interim award under the English Act. The English Act advisedly does not use the expression “interim” or “partial”, so as to make it clear that the award covered by Section 47 of the English Act would be a final determination of the particular issue that the Arbitral Tribunal has decided.

12. In **Exmar BV v. National Iranian Tanker Co., (1992) 1 Lloyd's Rep 169** an interim final award was made, which contained the decision that it would not issue any such award in the claimant's favour pending determination of the respondent's counterclaims. Detailed reasons were given for this decision. The Judge, therefore, characterised the aforesaid award as an award finally deciding a particular issue between the parties, and concluded that as a result thereof, he had jurisdiction to review the Tribunal's decision.

13. In **Satwant Singh Sodhi v. State of Punjab, (1999) 3 SCC 487**, an interim award in respect of one particular item was made by the arbitrator in that case. The question before the Court was whether such award could be made the rule of the Court separately or could be said to have been superseded by a final award made on all the claims later. This Court held:

“6. The question whether interim award is final to the extent it goes or has effect till the final award is delivered will depend upon the form of the award. If the interim award is intended to have effect only so long as the final award is not delivered it will have the force of the interim award and it will cease to have effect after the final award is made. If, on the other hand, the interim award is intended to finally determine the rights of the parties it will have the force of a complete award and will have effect even after the final award is delivered. The terms of the award dated 26-11-1992 do not indicate that the same is of interim nature.”

On the facts of the case, the Court then went on to hold:

“11. This Court in **Rikhabdass v. Ballabhdas, AIR 1962 SC 551** held that once an award is made and signed by the arbitrator, the arbitrator becomes functus officio. In **Juggilal Kamlatpat v. General Fibre Dealers Ltd., AIR 1962 SC 1123** this Court held that an arbitrator having signed his award becomes functus officio but that did not mean that in no circumstances could there be further arbitration proceedings where an award was set aside or that the same arbitrator could never have anything to do with the award with respect to the same dispute. Thus, in



the present case, it was not open to the arbitrator to redetermine the claim and make an award. Therefore, the view taken by the trial court that the earlier award made and written though signed was not pronounced but nevertheless had become complete and final, therefore, should be made the rule of the court appears to us to be correct with regard to Item 1 inasmuch as the claim in relation to Item 1 could not have been adjudicated by the arbitrator again and it has been rightly excluded from the second award made by the arbitrator on 28-1-1994. Thus the view taken by the trial court on this aspect also appears to us to be correct. Therefore, the trial court has rightly ordered the award dated 28-1-1994 to be the rule of the court except for Item 1 and in respect of which the award dated 26-11-1992 was ordered to be the rule of the court.”

It is, thus, clear that the first award that was made that finally determined one issue between the parties, with respect to Item 1 of the claim, was held to be an interim award inasmuch as it finally determined Claim 1 between the parties and, therefore, could not be re-adjudicated all over again.”

*(emphasis supplied)*

82. It is apposite to note that in Paragraph No. 15 of *IFFCO (supra)*, the Hon’ble Supreme Court had categorically observed that the award therein was an interim award because the learned Arbitrator had “*disposed of one matter between the parties, i.e., the issue of limitation finally.*” The element of final adjudication of a specific issue was thus central to the Court’s conclusion. The above-stated Paragraph No. 15 is reproduced herein under for ready reference:

“15. Tested in the light of the statutory provisions and the case law cited above, it is clear that as the learned arbitrator has disposed of one matter between the parties i.e. the issue of limitation finally, the award dated 23-7-2015 is an “interim award” within the meaning of Section 2(1)(c) of the Act and being subsumed within the expression “arbitral award” could, therefore, have been challenged under Section 34 of the Act.”

83. Tested on this touchstone, the Impugned Orders in the present case plainly fall short of the threshold delineated in *IFFCO (supra)*. Since in the present matter, the Impugned Orders do not adjudicate upon any substantial issue affecting the rights of the parties, nor do



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they decide upon any of the Points of Determination framed, nor do they finally determine any component of the arbitral reference. Thus, the element of finality *qua* a framed issue, which weighed heavily with the Hon'ble Supreme Court in *IFFCO (supra)*, is conspicuously absent.

84. In the considered view of this Court, the reliance, far from advancing the Petitioners' case, in fact reiterates the indispensable requirement of a conclusive determination of a substantive issue. Consequently, the reliance placed upon the said decision stands clearly distinguished on facts and principle, and does not carry the Petitioners across the jurisdictional threshold under Section 34 of the Act.

85. Further, reliance was placed by the Petitioners upon the decision of a Coordinate Bench of this Court in *H.S. Bedi (supra)*, contending that an order rejecting an application for amendment of pleadings must necessarily be regarded as an interim award. In the said decision, drawing support from *Cinevistaas (supra)*, the order rejecting the amendment on the ground of delay was held to assume the character of an interim award. Attention was drawn to Paragraph No. 19 of the said decision, wherein the following was observed:

“19. I am of the view that Mr. Vachher is justified in relying upon the judgment in the case of Cinevistaas Ltd. (supra) and the impugned dated October 17, 2020 passed by the learned Arbitrator is in the form an interim award, making this petition maintainable.”

86. However, the reliance placed is clearly distinguishable from facts. In *H.S. Bedi (supra)*, the amendment sought pertained to a plea of equitable set-off amounting to Rs. 15 Crores. The Coordinate Bench found that rejection of such an amendment had the effect of finally foreclosing a substantive monetary claim and thereby



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conclusively determined a component of the rights asserted by the petitioners therein. It was in that backdrop that the Court held that the order rejecting the amendment bore the attributes of an interim award. The relevant paragraphs, being Paragraph Nos. 26 & 29, are reproduced herein under:

“26. Further, the plea of the petitioners for equitable set-off, is primarily with regard to Rs.15 Crores of loan advanced by the respondent in the two loan accounts. It is the petitioners’ case before the learned Arbitrator that there was no outstanding dues in the account of Cedar and Sukhmani. That apart, they are seeking adjustment of Rs.15 Crores, which was taken as loan from the respondent and returned on the same day to the respondent as was received by the petitioners.

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29. Even the judgment on which reliance has been placed by Mr. Vachher in the case of State of Bihar (supra) and Baldev Singh (supra), the Supreme Court; had allowed the amendment to the written statement even after the conclusion of the plaintiff’s evidence. Similarly, in the case of Jitendra Kumar Khan (supra) the Supreme Court upheld the order of the Division Bench of the Calcutta High Court allowing the appeal of the respondent challenging the order of the learned Single Judge not allowing the amendment to the written statement incorporating a counter claim. That apart, in the case in hand, what is important is by such a rejection, the substantive rights of the petitioners have been decided, which means that the petitioners cannot in future claim the relief as they have sought for by way of an amendment”.

*(emphasis supplied)*

87. In contradistinction, the amendments sought in the present case did not operate to finally foreclose, extinguish, or conclusively determine any independent or substantive claim of the Petitioners. A comparative reading of the original prayers, the proposed amendments, and the Points of Determination framed by the learned Arbitral Tribunal on 14.08.2025 clearly demonstrates that the core issues relating to entitlement to compensation, as well as the quantum, rate, and period thereof, were expressly kept open for adjudication.



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88. The Points of Determination were framed in broad and inclusive terms, with the onus of proof placed upon the Claimants, and the determination of rate and amount left to be decided on the basis of evidence to be adduced during the course of the arbitral proceedings. The relevant comparative table, evidencing that all substantive rights and claims were consciously kept open by the Arbitral Tribunal, is reproduced below for ready reference:

<b>Original Prayer</b>	<b>Amendment Sought</b>	<b>Covered by Issue framed by the Arbitral Tribunal</b>
“If prayers A-D are not granted. Award may be passed in favour of the Claimants against the Respondent for compensation on account of having suffered and deprived of the use and enjoyment of the subject matter shops since 29.05.2020 being computed at the present cost/value of the subject matter shops along with cost of proportionate plot of land underneath which may be <b><u>calculated at the current prevailing market value of approximately Rs.1.60 Lacs Per Sq. Ft.</u></b> ”	E. Award may be passed in favour of the Claimant against the Respondent for compensation on account of having suffered and been deprived of the use and enjoyment of the subject matter shops since 29.05.2020. At the present cost/value of the subject matter shops along with the cost of a proportionate plot of land underneath, which may be <b><u>ascertained upon evidence and trial</u></b> ”	Whether, in the alternative to the claims which are subject matter of preceding issues, the Claimant is entitled to recover from the Respondent compensation on account of deprivation of use and enjoyment of subject shop(s) along with cost of proportionate plot of land underneath it? If so, <b><u>at what rate, for which period and in what amount? (OPC)</u></b>
E. Award a sum of Rs. <b><u>3,75,96,200/-</u></b> (rupees three crores seventy five lakhs ninety six thousand two hundred only) towards all the loss of regular income	F. Award a <b><u>2,78,25,000/-</u></b> (Rupees Two Crore sum of Rs. Seventy-Eight Lakhs Twenty-Five Thousand Only) towards loss of	Whether the Claimant is entitled to recover from the Respondent money on account of loss of regular income and other pecuniary damages



<p>and other pecuniary damages suffered by the claimants as detailed in the claim petition in para 51 in favour of the Claimants and against the Respondent along with interest at <b><u>18% per annum</u></b> from June, 2020 till 31.10.2024 and further award <i>pendent-lite</i> and future interest at the same rate till the Claimants receive the actual amount so awarded by this Hon'ble Tribunal.</p>	<p>regular income and further pecuniary damages suffered by the Claimants as detailed in the claim petition in paragraph no. 51 in favour of the Claimants and against the Respondent along with interest @ <b><u>12% per annum</u></b> from June 2020 till 31.10.2024 and further award <i>pendent-lite</i> and future interest at the same rate till the Claimants receive the actual amount so awarded by this Hon'ble Tribunal.</p>	<p>suffered as well as for loss of goodwill of the business from June 2020 to 31.10.2024? <b><u>If so, at what rate, and in what amount? (OPC)</u></b></p>
<p>F. Award may also be passed in favour of the claimants against the Respondent for recovery of <i>pendent lite</i> and future damages/compensation in the sum of Rs.6,26,850/- per month calculated at the rate of Rs. 450/-per sq. ft. for the subject matter shops admeasuring 1393.9 sq. ft.( 129.5 sq. mtr.) on account of recurring loss of income and business profits from November, 2024 onwards till the access of the subject matter shops is restored back to the Claimants. Further interest may also be awarded on the above claim @ <b><u>18% per annum.</u></b></p>	<p>G. Award may also be passed in favour of the Claimants and against the Respondent for a sum of Rs. 5,25,000/- (Rupees Five Lakhs Twenty-Five Thousand) calculated for 53 months calculated at the rate of Rs. 350/-per sq. ft. for the subject shops admeasuring 1500 sq. ft. towards recurring loss of income and business profits calculated from November 2024 till the access to the subject shops is restored to the Claimants by this Hon'ble Tribunal as prayed above. The</p>	<p>Whether the Claimant is entitled to recover from the Respondent money on account of damages/compensation due to running loss of income and business profits from November 2024 onwards till restoration of access to the subject shop(s)? <b><u>If so, at what rate, and in what amount? (OPC)</u></b>”</p>



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	amount to be awarded is calculated <u>@ 12% interest per annum</u> on the amount which may be ascertained.	
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89. Thus, unlike in *H.S. Bedi (supra)*, where the rejection of the amendment resulted in a conclusive denial of a quantified equitable set-off claim, in the present case, the rejection of the amendment applications did not result in any substantial issues raised, attaining finality, nor did it curtail or prejudice any substantive right of the Petitioners. The claims, as framed, remained fully amenable to adjudication on merits, and the Petitioners are not precluded from leading evidence in support thereof.

90. Accordingly, the reliance placed does not advance the Petitioners' case. The factual matrix and the legal consequences in that matter are, as discussed, materially distinct from the present case. Hence, the ratio of *H.S. Bedi (supra)* stands clearly distinguishable.

91. Further, the learned counsel for the Respondent, in support of the preliminary objection, placed reliance upon a line of authorities to contend that not every order passed by an Arbitral Tribunal can be elevated to the status of an interim award. Particular emphasis was laid on the settled jurisprudence concerning orders rejecting applications for amendment of pleadings.

92. In this context, reliance was placed upon the decision of this Court in *Container Corporation of India (supra)*, where, on facts, the Petitioners had sought to amend their written statement to incorporate a counter-claim at a belated stage. The learned Arbitrator rejected the amendment on the ground of limitation, and the challenge under



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Section 34 was dismissed on the ground that such rejection did not constitute an interim award.

93. The Court, in Paragraph Nos. 5 and 6 of the said judgment, clarified that an interim award partakes the nature of a decision on a part of the claim, akin to a preliminary decree or a decree on admission, and must bear the character of a determination on a substantive claim. It was further held that dismissal of an application for amendment of pleadings does not amount to such a determination and, therefore, cannot be assailed as an interim award. The relevant paragraphs, specifically Paragraph Nos. 5 and 6, are reproduced herein under for ready reference:

“5. An interim award is in the nature of a decision of the Arbitral Tribunal on some of the claims of the parties. Occasionally, the Arbitral Tribunal is called upon to give a part award particularly when a part of the claim of the claimant stands admitted by the opposite party either in the pleadings or otherwise. The act does not define an interim award. Section 2(c) of the Act, however provides that an arbitral award included an interim award. Generally an interim award is like a preliminary decree within the meaning of Section 2(2) of the Civil Procedure Code or it is like a decree based on the admissions of parties as envisaged under Order 12 Rule 6 CPC. However, in any case, an interim award must make a provisional arrangement by the Arbitral Tribunal during the proceedings pending before it, but before passing the final award.

6. I consider that dismissing of an application for amendment of the written statement whereby the petitioner was not allowed to include the counter claim at a belated stage cannot be termed as an interim award so as to allow challenging such order under Section 34. The petitioner would be at liberty to assail the final award and can take all the ground of challenge as available under law as and when final award is passed by the learned Arbitral Tribunal. The petitioner cannot be allowed to challenge dismissal of its application for amendment as an interim award. One of the purposes of enactment of Arbitration & Conciliation Act, 1996 was to minimize the intervention of the courts during arbitral proceedings and that is why Section 5 of the Act prohibits the Courts from interfering in the arbitration process. The judicial intervention during arbitral proceedings is not permissible unless it is specifically provided by Part-I of the Act. The effect of non-obstantive clause in Section 5 is that the provisions of Part-I of the



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Act will prevail over any other law for the time being in force in India. This provision recognizes minimum role of judicial intervention in arbitral proceedings. It clearly brings out the object of the Act i.e. to minimize the judicial intervention and to encourage speedy and economic resolution of disputes by the arbitral tribunal, in case where the disputes are entered by the arbitration agreement.”

94. This Court has carefully considered the reliance placed by the Respondent on *Container Corporation of India (supra)*. A perusal of the said decision reveals that the Court drew a clear distinction between an interim award, which partakes the nature of a determination on a substantive claim, and a procedural order regulating the conduct of arbitral proceedings. It was observed therein that dismissal of an application seeking amendment of pleadings, including incorporation of a counter-claim at a belated stage, does not amount to a decision on any part of the claim itself and therefore cannot be characterised as an interim award amenable to challenge under Section 34 of the Act.

95. The reasoning adopted in the said decision is rooted in the legislative intent underlying Sections 5 and 34 of the Act, which circumscribe judicial intervention during arbitral proceedings. The Court underscored that permitting challenges to procedural orders under the guise of interim awards would defeat the object of the statute, *namely*, expeditious and minimal-interference resolution of disputes. The remedy, if any, lies in assailing the final award, wherein all permissible grounds may be urged.

96. Further, in *Rhiti Sports (supra)*, reliance would be placed on Paragraph Nos. 17 and 18. The same are reproduced herein under for ready reference:

“17. As indicated above, a final award would necessarily entail of  
(i) all disputes in case no other award has been rendered earlier in



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respect of any of the disputes referred to the arbitral tribunal, or (ii) all the remaining disputes in case a partial or interim award(s) have been entered prior to entering the final award. In either event, the final award would necessarily (either through adjudication or otherwise) entail the settlement of the dispute at which the parties are at issue. It, thus, necessarily follows that for an order to qualify as an arbitral award either as final or interim, it must settle a matter at which the parties are at issue. Further, it would require to be in the form as specified under Section 31 of the Act.

18. To put it in the negative, any procedural order or an order that does not finally settle a matter at which the parties are at issue, would not qualify to be termed as “arbitral award”.”

97. This Court has considered the reliance placed on *Rhiti Sports (supra)*, specifically on Paragraph Nos. 17 and 18 of the said decision, wherein the Court lucidly articulated that for an order to qualify as either a final or interim award, it must settle a matter at which the parties are in issue. The determinative requirement, therefore, is that the order must bring about a conclusive adjudication of a substantive dispute forming part of the arbitral reference. Conversely, any order that does not finally settle such a matter and merely regulates the conduct of proceedings would not satisfy the statutory attributes of an ‘arbitral award’.

98. The emphasis in *Rhiti Sports (supra)* is thus squarely on the element of finality coupled with adjudication of a matter in dispute. The decision makes it abundantly clear that procedural directions, even if they incidentally affect the manner in which a party presents its case, do not, by that reason alone, elevate themselves to the status of an interim award.

99. This Court has also considered the reliance placed by the Respondent on *Punita Bhardwaj (supra)*. In the said decision, the Court undertook a nuanced examination of the jurisprudence emerging from *Container Corporation (supra)*, *Cinevistaas (supra)* and *H.S.*



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*Bedi (supra)*, and distilled the governing principle that the determinative factor for maintainability under Section 34 is whether the impugned order finally adjudicates a substantive claim or defence. The relevant paragraphs of said judgment are reproduced herein under for ready reference:

“**18.** The three judgments of this Court cited by learned counsel for the parties must be read in the context of this provision. The statute clearly vests discretion in the arbitral tribunal to disallow a party to amend or supplement its pleadings on the ground that the application is belated. In *Container Corporation*, the amendment was rejected by the arbitral tribunal on this ground and the challenge under Section 34 of the Act was held not to be maintainable. In *M/s Cinevistaas and Lt. Col. H.S. Bedi Retd.* on the other hand, the Court came to the conclusion that the rejection of the amendments were in the nature of final adjudication of the claims and defences proposed to be raised. It is this factor which clothed the orders of the tribunal with the characteristic of finality and rendered them susceptible to challenge as interim awards. This distinction, in my view, is the key to determining the maintainability of the present petition.

**19.** In the facts of the present case, the learned arbitrator has proceeded only on the ground that the amendment was sought belatedly. Paragraphs 12 and 13 of the impugned order make this position clear, and in fact, in paragraph 13, the learned arbitrator has stated that expression of any view herein before will not be treated as expression on the merit of the case.

**20.** Further, it is evident that the suit was filed before this Court as far back in 2014 and referred to arbitration in the year 2016. The application for amendment was filed by the petitioner only on 21.07.2017. Even thereafter, it is recorded by the learned arbitrator that the matter proceeded without the petitioner seeking an adjudication of the said application until 04.11.2019, when the impugned order was passed. In the meanwhile, proceedings continued before the learned arbitrator, and issues appear to have been framed in these proceedings on 17.05.2018. During the pendency of the present petition before this Court also, I am informed that the parties have proceeded to lead evidence before the learned arbitrator and the proceedings are now at the stage of final arguments.

**21.** In view of the aforesaid position, I am of the view that the impugned order in the present case does not constitute an interim award, susceptible to challenge under Section 34 of the Act. The petition is, therefore, dismissed as not maintainable, leaving it open to the parties to take such remedies as may be available to them in accordance with law.”



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100. In *Punita Bhardwaj (supra)*, the arbitral tribunal had rejected an application for amendment of the pleadings solely on the ground of delay. The Court noted that the learned arbitrator had expressly clarified that no opinion was being expressed on the merits of the case, and that the order did not determine any claim or defence with finality. The rejection was thus procedural in character and did not clothe the order with the attributes of an interim award.

101. Significantly, the Court emphasised that while the Act vests discretion in the arbitral tribunal under Section 23(3) to disallow belated amendments, such exercise of discretion does not, *ipso facto*, translate into an adjudication of substantive rights. The distinction drawn was clear that where rejection of an amendment results in final determination of a claim or defence, the order may assume the character of an interim award, however, where it merely regulates the conduct of proceedings without foreclosing adjudication on merits, it remains procedural.

102. Applying that reasoning, the petition in *Punita Bhardwaj (supra)* was dismissed as not maintainable, with liberty to assail the final award. The decision, therefore, reinforces the principle that the mere rejection of an amendment application, absent a conclusive determination of a matter in dispute, does not elevate the order to the status of an interim award within the meaning of Sections 2(1)(c) and 31(6) of the Act.

103. This Court finds substantial force in the reliance placed by the learned counsel for the Respondent upon the line of authorities wherein analogous questions have been examined and the governing principles authoritatively settled by the Courts.



104. The judicial precedents cited and analysed hereinabove yield a clear and consistent position in law, *i.e.*, an order disposing of an application for amendment of pleadings does not, by that circumstance alone, acquire the status of an interim award. The determinative consideration is not the nature of the application, but the legal effect of its rejection.

105. The position may thus be summarised as *first*, not every order passed by an Arbitral Tribunal qualifies as an interim award; *second*, there exists no straight-jacket rule that an order rejecting an amendment application necessarily constitutes an interim award; and *third*, it is the element of finality in respect of a substantive issue, resulting in crystallisation of a right, that determines whether an order crosses the threshold into the domain of an interim award.

**Governing Test for determining what constitutes an ‘Interim Award’**

106. In light of the foregoing discussion and the judicial precedents noticed hereinabove, the governing test for determining whether an order qualifies as an ‘interim award’ may now be articulated.

- (a) Whether the Order finally adjudicates a substantive dispute or claims between the parties;
- (b) Whether such adjudication attains finality and has a binding effect insofar as that issue is concerned; and
- (c) Whether, upon such determination, the Arbitral Tribunal becomes *functus officio qua* that issue and retains no further adjudicatory discretion thereon.

107. Therefore, if an order answers to all the aforesaid three elements in affirmative, the order transcends the realm of a mere procedural order and assumes the character of an Interim Award within the meaning of Sections 2(1)(c) and 31(6) of the Act, and consequently



becomes susceptible to scrutiny under Section 34, subject to its limited and circumscribed scope.

108. Tested on this anvil, this Court is of the considered view that the Impugned Orders do not satisfy the essential *indicia* of an interim award. It would be observed as under:

- (a). *First*, the rejection of the amendment applications does not decide any substantive dispute or independent claim between the parties, it merely preserves the pleadings in the form in which they already stood.
- (b). *Second*, the determination lacks finality in respect of any issue forming part of the arbitral reference, inasmuch as the Points of Determination framed by the learned Arbitral Tribunal expressly leave open the questions of entitlement, quantum, rate and period of compensation to be adjudicated on the basis of evidence.
- (c). *Third*, the Arbitral Tribunal has not rendered itself *functus officio* in respect of any such issue, nor has it exhausted its adjudicatory discretion thereon.

109. The Impugned Orders, therefore, operate purely in the procedural realm, regulating the conduct of proceedings without conclusively settling any matter in controversy. Consequently, they do not meet the statutory threshold of an interim award amenable to challenge under Section 34 of the Act.

**DECISION:**

110. In light of the foregoing discussion, this Court holds that the Impugned Orders do not qualify as ‘Interim Awards’ within the meaning of Sections 2(1)(c) and 31(6) of the Act.



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111. Consequently, the present Petitions are dismissed as not maintainable under Section 34 of the Act.

112. It is clarified that this Court has not entered into the merits of the controversy or examined the substantive issues raised in the proceedings as before the learned Arbitrator. Nothing contained in the present adjudication shall be construed as an expression of opinion on the merits of the disputes between the parties, so as to cause any prejudice before the learned Arbitrator. The arbitral proceedings shall proceed independently and uninfluenced by any observations made by this Court.

113. Accordingly, the present Petitions, along with pending Application(s), if any, are disposed of.

114. No Order as to costs.

**HARISH VAIDYANATHAN SHANKAR, J.**  
**FEBRUARY 18, 2026/ DJ**