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## THE CADR

## NEWSLER

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Contact us at: adrc@rgnul.ac.in



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## **ABOUT US**

The Centre for Alternative Dispute Resolution, RGNUL (CADR-RGNUL) is a research centre dedicated to research and capacity-building in ADR. The ultimate objective, at CADR, is to strengthen ADR mechanisms in the country by emerging as a platform that enables students and professionals to further their interests in the field.

In its attempt to further the objective of providing quality research and information to the ADR fraternity, the CADR team is elated to present the Special Edition of the Fourth Volume of 'The CADR Newsletter'. The Newsletter initiative began with the observation that there exists a lacuna in the provision of information relating to ADR to the practicing community. With an aim to lessen this gap, the Newsletter has been comprehensively covering developments in the field of ADR, both national and international. The CADR Newsletter is a one-stop destination for all that one needs to know about the ADR world; a 'monthly dose' of ADR News!



## DR. P.C. MARKANDA CHAIR ESTABLISHED AT RGNUL

Dr. P. C. Markanda Chair on Alternative Dispute Resolution has been set up at RGNUL, Punjab to carry out the activities in the field of Alternative Dispute Resolution. The Chair has been set up in the name of Late Dr. P. C. Markanda, a stalwart in the field of Arbitration.





#### DOMESTIC ARBITRATION UPDATES

Supreme Court to re-examine the ambit of the 'Group of Companies' Doctrine

In the case of Cox & Kings Ltd. v. SAP India Private Limited, a three-judge bench of the Supreme Court noted some inherent contradictions in the current state of the 'Group of Companies' Doctrine in India, which is utilised to bind third parties to an arbitration agreement.

It noted that under Section 7 of the Arbitration & Conciliation Act 1996 ["the Act"], the parties' consent is integral to arbitration and the same ought to be expressed in a written form. The Bench said that the group of companies doctrine must be applied with caution. The mere fact that a nonsignatory is a member of a group of affiliated companies will sufficient to claim an extension of the arbitration agreement to the nonsignatory. The doctrine has now been referred to a larger bench.

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<u>Arbitrators must clarify fee structure</u> <u>upfront: Supreme Court</u>

The Supreme Court observed that the fees of the arbitrator should be decided

at the start itself and the same should be applicable for the entire duration of the arbitration. It was also stated that the arbitrator cannot unilaterally change the fee structure in the middle of the arbitration proceedings, as it will harm the facilitation of the proceedings. Read more

Arbitral Tribunal cannot direct interim deposit of entire amount in dispute when the liability to pay is seriously disputed: Supreme Court

The Supreme Court in the case of Evergreen Land Mark Pvt. Ltd. v. John Tinson & Company Pvt. Ltd & Anr. partly allowed the appeal against the order of the lower courts for the appellant to deposit the entire amount for rent when the arbitration proceedings have not been completed, and the liability is still a dispute to be adjudicated upon.

The court directed the appellant to deposit a part of the total amount which was the subject of the dispute at hand. Read more

High Court cannot terminate the mandate of Arbitrator in Application under Section 11(6) Of Arbitration Act:
Supreme Court



#### DOMESTIC ARBITRATION UPDATES

The Supreme Court in the case of Swadesh Kumar Agarwal v. Dinesh Kumar Agarwal observed that a dispute about the mandate of the arbitrator being terminated on the ground mentioned in section 14(1)(a) of the Act cannot be decided under an application filed under section 11(6) of the Act. The Supreme Court ruled that such a dispute has to be raised before the "court", as defined under section 2(e) of the Act.

Writ Jurisdiction cannot be invoked unless the case falls within the rubric of 'Rarest of the Rare Cases': Orissa High Court

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In the case of State of Odisha v. M/s. Nayagarh Sugar Complex Ltd., the High Court of Orissa held that a writ petition would not be maintainable against an arbitral tribunal's order of refusal to delete a party's name from the arbitral proceedings.

Relying on the Apex Court ruling in Bhaven Construction v. Executive Engineer Sardar Sarovar Narmada Nigam Ltd., the Bench observed that the writ jurisdiction can only be invoked in arbitral matters if the dispute falls within

the category of 'rarest of the rare cases' and court interference is crucial for resolution. The Court observed that the present case did not fall within this ambit and dismissed the petition.

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No Refund of Court Fees for Courtreferred Arbitration under Section 8 of the A&C Act: Delhi High Court

In the case of A-One Realtors Pvt. Ltd. v. Energy Efficiency Services Ltd, the Delhi High Court has ruled that parties are not entitled to a refund of Court Fees if they are referred to Arbitration under Section 8 of the Act.

The Court ruled that the application under Section 8 of the Act filed by the defendant has been allowed and the matter has been referred for adjudication to a sole arbitrator. The matter was not referred in terms of Section 89 of the Code of Civil Procedure for settlement. Therefore, the plaintiff was not entitled to refund of court fees.

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The Arbitral Tribunal cannot rewrite the contract between parties: Delhi HC



#### DOMESTIC ARBITRATION UPDATES

In the case of *Union of India, Ministry of Railways v. M/S Jindal Rail Infrastructure Limited*, the Delhi High Court held that an award wherein the arbitrator re-worked a bargain between the parties merely because it is commercially difficult for one party to perform the same would be against the fundamental policy of Indian Law and vitiated by patent illegality.

In cases where it is found that the terms of the contract do not clearly express the intentions of the parties, recourse can be sought to various tools of interpretation. However, it is not open to a Tribunal to re-work the contract.

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Even in the absence of an arbitration agreement, the matter can be referred to arbitration under the Micro Small & Medium Enterprises Development Act:

Punjab and Haryana High Court

In the case of SGM Packaging Industries v. M/s Goyal Plywood LLP, the Punjab & Haryana High Court held that even if the parties are not involved in an arbitration agreement, the dispute can be directed to arbitration under Section 18 of the Micro, Small and Medium Enterprises

Development Act of 2006 (MSMED Act). Essentially, the MSMED Act, being a Special Act, has precedence over the Arbitration and Conciliation Act, 1996 (A&C Act).

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The seat of Arbitration is not determined by the Arbitrator's place of residence: Telangana High Court

In the case of M/s S. Square Infra v. Garneni Chalapathi Rao, the Telangana High Court held that Hyderabad would not be the Seat of arbitration simply because the appointed Arbitrator's place of residence lay there. There was no mention of the seat of arbitration in the partnership deed. The Court noted that the petitioner had filed a Section 8 application before the Court Sangareddy, which led to the parties being referred to arbitration. Therefore, only that Court would have the jurisdiction under Section 42 of the Act. Read More

The court cannot interfere with Arbitral Award on the ground that it is based on little evidence: Orissa High Court

In the case of GMR Kamalanga Energy Ltd. v. SEPCO Electric Power



#### DOMESTIC ARBITRATION UPDATES

Construction Corporation, the Orissa High Court held that an award based on little evidence or on evidence which does not measure up in quality to a trained legal mind would not be held to be invalid on this score. It was observed that the Court cannot comment upon the quantity and quality of evidence relied upon by the Tribunal unless it shocks the conscience of the Court.

## A Writ against orders passed by Arbitral Tribunal is not maintainable: Himachal Pradesh HC

In a writ before the Himachal Pradesh High Court, the issue was whether an order passed on the miscellaneous application during an arbitral proceeding will be open to challenge before this court under Article 227 of the Constitution of India. The Court held the arbitration act forbids iudicial intervention except as expressly permitted by the Act. According to Section 34 of the 1996 Act, a party to arbitral proceedings has a remedy to dispute the award rendered in such proceedings and therefore, the present writ was not maintainable.

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Arbitral Tribunal's decision on a question of fact is final - Delhi High Court

In the case of Concept Communications Ltd. v. Bharat Sanchar Nigam Ltd., a division bench of the Delhi High Court refused to interfere with the arbitral award. An appeal was filed under Sec. 37(1)(c) of the Act, 1996 challenging an order passed by the Single Judge wherein he rejected the application under section 34. The High Court while hearing the appeal held that, a question of fact decided by the tribunal is final and would not invite section 34 unless the award suffers from patent illegality or is against the public policy of India. Read More

Awards cannot be modified by Courts under Section 34 or 37 - Supreme Court

The Supreme Court, while deciding an appeal in the case of *National Highways Authority of India v. Sri P. Nagaraju*, held that the arbitral award cannot be modified by courts under sections 34 and 37 of the Act. The court further noticed that if such a situation arises that the court has to modify the award,



### **DOMESTIC ARBITRATION UPDATES**

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that it is befitting to either set aside the award or take the course of remission under Section 34(4) of the Act and allow the Arbitrator to come to a reasonable conclusion regarding the arbitration award.

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There should not be two arbitration proceedings pertaining to the same transaction: Supreme Court

In *M/S Tantia Constructions Limited v. Union of India*, the Supreme Court upheld the order of the High Court and observed that there cannot be two arbitration proceedings with respect to the same contract/transaction.

The Supreme Court was hearing an SLP against the order of the Calcutta High Court. The High Court was of the view that since the appointment of an arbitrator is requested for the settlement of a dispute that has already been adjudicated upon in the applicant's previous petition, there is no case made out for the appointment of an arbitrator anew.

**Read More** 

Issue of Arbitrability of dispute over non-renewal of lease is within the Realm of Tribunal: Supreme Court

The Supreme Court, in the case of Brij Raj Oberoi v. The Secretary, Tourism and Civil Aviation Department, set aside the Sikkim High Court order and held that the issue of arbitrability of the dispute over the non-renewal of the lease is within the realm of the Arbitral Earlier, the High Court Tribunal. rejected the application under Section 11(6) of the Act holding that the dispute was not-arbitrable as the clause did not envisage reference of disputes with regard to the extension of the lease. The Supreme Court held that the tribunal is the preferred authority to decide on such issues.

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High Court cannot exercise Writ

Jurisdiction to execute Arbitral Award:

Supreme Court

The Supreme Court, in the case of National Highways Authority of India v.



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Sheetal Jaidev Vade, disapproved the entertaining of writ petitions to execute the award passed by the arbitral tribunal. The High Court, while hearing a petition filed under Article 226, directed the authority to deposit the amount under the award. The Apex Court, while deciding the appeal against the impugned judgment, held that the High Courts cannot entertain such Writ Petitions to execute the arbitral awards when an appropriate statutory remedy is available to the judgment creditor.

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## INTERNATIONAL COMMERCIAL ARBITRATION UPDATES

## Alstom brings ICC claim over €4.4 billion M&A

A claim has been bought by Alstom with respect to its purchase of Bombardier Transportation citing a breach of a stipulated contractual provision as given in the sale and purchase agreement which was signed in 2020. Bombardier displayed its intention to challenge certain price adjustments which lowered the overall price of the company acquisition along with boasting of having a strong defence against the claim of the company.

Read more

## Award exceeding the scope of submission set aside by Hong Kong court

An arbitral tribunal passed an award which covered an extra issue which was neither raised nor argued upon by the parties in terms of its merits. The application of the respondent for the leave to appeal against the decision of the court to set aside the award was also dismissed.

Apart from being out of the scope of submission, the award was also set aside because it was against the public policy of Hong Kong.

Read more

#### Freezing order granted in support of Enforcement of CIETAC Arbitral Award by the Court of Hong Kong

Recently, a Hong Kong court granted an order in support of the freezing order against the enforcement of the CIETAC award. The same was opposed on the grounds of material non-disclosure on the part of the arguing party in favor of the enforcement. Further, it was also contended that there existed no good arguable case to support the freezing order.

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#### <u>Singapore & Hong Kong allow</u> <u>Conditional Fee Arrangements</u>

Conditional fee agreements (CFAs) are agreements between a lawyer and their client that stipulate that they will only be paid a success fee (sometimes known as a "no win no fee" or "no win low fee") if their case is successful. In a damages-based agreement (DBA), the lawyer is only compensated if the client recovers money (often in the form of damages), and the payment is based on a percentage of that recovery. Despite the



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recent implementation of third-party finance in Singapore and Hong Kong, lawyers were not permitted to provide CFAs or DBAs under the law. With the passage of laws in both jurisdictions, this is about to change. Singapore will now permit CFAs for arbitration, while Hong Kong will permit both DBAs and CFAs. Read More

## Nigerian Senate Passes "Arbitration and Mediation Bill"

The Arbitration and Conciliation Act of 1988 will be replaced by an amended bill that the Nigerian Senate passed on May 10, 2022 (the "Bill"). Numerous elements of the Bill, such as those on third-party funding ("TPF"), emergency arbitrators, and the recognition and execution of interim measures, will be of interest to entities looking to arbitrate in Nigeria. An award review tribunal is another novel idea included in the Bill. Read More

Korean investors initiate arbitral proceedings against the Pakistan government over the Hydropower project

Korean investors filed a claim with LCIA against the government of Pakistan, seeking USD 94 million (Rs 19.6 billion) in compensation for over escalating costs of the Patrind Hydropower project. According to the investors, the National Transmission and Despatch Company (NTDC), did not evacuate electricity for at least at least six months after the project's COD. Furthermore, the cost of building a point from which the electricity was to be transmitted to the national grid was also disputed.

#### Read more

## <u>Union government loses challenge to</u> <a href="#square">\$111 million arbitration award</a> favouring Reliance/Shell

In a cost recovery issue involving the western offshore Panna-Mukta and Tapti oil and gas fields, the government lost its appeal in the English High Court against a \$111 million arbitration award in favour of Reliance and Shell.

The Court rejected the government's arguments stating that objections are barred by an English law principle whereby a party cannot raise matters in new proceedings that could have been raised earlier. The panel had three



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members and was headed by Singaporebased lawyer Christopher Lau. Read more

SIAC rejects Future group's plea to terminate arbitral proceedings against Amazon

The Singapore International Arbitration Centre (SIAC) rejected Future Group's plea to terminate arbitral proceedings against Amazon. Future Group stated that because insolvency procedures had been started against it, the legal process should be put on hold. SIAC noted that an application under IBC Section 7 does not, however, make further arbitration procedures unnecessary or impractical. Read more

#### LCIA renders award in Russia's Sberbank refinery dispute

London Court of International Arbitration rendered its award in New Stream Trading (NST) AG's lawsuit against Sberbank of Russia. According to NST, the Antipinskiy Oil Refinery's (ANPZ) bankruptcy contributed to the company's demise and prevented the debt service obligations to Sberbank from being met. The Court held that

Sberbank caused the bankruptcy of ANPZ by deliberate and coordinated actions. The Court discharged all of NST's liabilities vis-a-vis Sberbank and ordered Sberbank to reimburse 85% of NST's legal fees.

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## Devas Multimedia enforces Arbitral Award Against Antrix

According to a US court document reviewed by ET, Devas Multimedia Inc. has taken cash worth Rs. 69.5 lakh from Antrix Corp. as a result of a US court ruling that permitted Devas to pursue any US assets owned by Antrix. The ISRO's commercial branch, Antrix, cancelled a satellite arrangement with the business in 2011, which resulted in a decade-long legal dispute. As a result, the Devas shareholders are enforcing an International Chamber of Commerce arbitral judgement of \$1.2 billion.

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## SC determines the powers of arbitrators to issue binding orders

The Supreme Court declared on Tuesday that arbitrators lack the authority to unilaterally make rulings



## INTERNATIONAL COMMERCIAL ARBITRATION UPDATES

that are enforceable and binding and that set their own costs for resolving disputes. According to the highest court, ithe arbitrators cannot decide on their own behalf whether or not the parties should pay them, and the unilateral decision of fees is against the concept of prohibition and the norms of party autonomy. The court ordered approval of a number of rules for the conduct of ad hoc arbitrations in India, acting within the scope of its plenary powers under Article 142 of the Constitution.

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## US Supreme Court puts restriction on discovery in foreign arbitrations

A long-standing circuit disagreement has been resolved by the US Supreme Court's historic decision that parties cannot pursue discovery for international commercial and investor-state arbitration in federal courts.

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## INVESTMENT ARBITRATION UPDATES

Evidence of Money Laundering Serves
to be a Valid Reason for the French
Supreme Court to Uphold the Setting
Aside of Award

The decision of the Paris Court of Appeal of 2017 to set aside a \$15 billion UNCITRAL award was upheld by the Supreme Court of France. It was reiterated that the French Supreme Court has full jurisdiction to review the implications of the enforcement of the award on the grounds of international public policy, under the ambit of which, also comes money laundering.

Read more

## The Dubai International Arbitration Centre releases its rules 2022

The Rules of Arbitration of the Dubai International Arbitration Centre (DIAC) have been recently released. The same has resulted from a decree passed in the previous year which intended to reconstitute DIAC. The idea was to establish a DIAC board of directors and a DIAC court and adopt a new set of DIAC rules from March 2022.

Read more

Saudi Arabia wins against foreign investors due to jurisdictional issues under the KSA-France BIT

A three-member tribunal established by ICSID found that it lacked jurisdiction in MAKAE Europe SARL v. Kingdom of Saudi Arabia because the Claimant has failed to establish that it controlled the claimed investment means thus the claim ought to be dismissed.

This judgement demonstrates that, in order for a foreign investor to pass, the thresholds for a tribunal's jurisdiction under bilateral investment treaties (BITs) frequently require the introduction of substantial evidence.

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## ICSID finds French billionaire guilty of corruption

Mining tycoon Beny Steinmetz has lost a significant case against Guinea in West Africa after an arbitration court determined that his company paid tens of millions of dollars in bribes in order to win valuable mining concessions and then engaged in a cover-up ICSID discovered that BSGR bought the concessions from officials with millions



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of dollars in bribes. The wife of former president Lansana Conté, Mamadie Toure, received more than \$9 million of this. The assertion that BSGR coordinated the payments through middlemen was made in the judgement, which the business contested.

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## Chinese miner brings ICC claim over Congo lithium project

The purchase of stake in a significant lithium project in the Democratic Republic of the Congo has led one of the biggest mining companies in China to file an ICC lawsuit.

The fight for control of the massive Manono lithium deposit in central Africa has been portrayed as a conflict between China's Zijin Mining and Australia's AVZ Minerals. However, Suzhou Cath Energy Technologies, which is owned by China's battery giant CATL and Pei Zhenhua, has a 24% stake in AVZ and also has a holding from Zhejiang Huayou Cobalt, thus once the dispute over ownership is resolved, Chinese corporations may continue to play a significant role in the project and can even end up in charge.

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## ICSID new rules to come into force on July 1st, 2022

ICSID recently released its new rules, which came into force on July 1st, 2022. According to David Malpass, Chair of the ICSID Administrative Council, these amendments aimed are "streamlin[ing] procedures to enable greater access and speed, increas[ing] transparency, and enhanc[ing] disclosures." The new rules significantly increase transparency and efficiency in the proceedings.

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## Czech Republic to appeal against US\$650 million investment arbitration award

Czech Republic recently lost arbitration over alleged investment misconduct by the Ministry of Health in 30-year-old tender for procurement of blood plasma. Czech Republic has to pay USD 650 million to Diag Human, a company controlled by Czech-Swiss businessman Josef Stava. The state has submitted a proposal to cancel the award in the High Court in London.

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## INVESTMENT ARBITRATION UPDATES

Investment Arbitration against Iraq to increase in view of recent SC decision

Iraq's SC recently ordered the Kurdistan Region Oil and Gas Law to be repealed based on which the Kurdistan Regional Government (KRG) has entered into contracts with international oil companies. The Court further held that the Federal Ministry of Oil is entitled to pursue the nullification of any contracts entered into by the KRG with third regarding oil parties exploration, extraction, export and sale. Even though the decision does not automatically cancel the contracts, various stakeholders will initiate investment arbitration against to attain Iraq appropriate relief.

Read more

ICSID Tribunal renders its final award under Costa Rica-Spain Bilateral Investment Treaty

In the lawsuit initiated by Alejandro Diego Daz Gaspar, a Spanish National, against Costa Rica, an ICSID Tribunal rendered its Final Award on June 29, 2022. The majority of the Tribunal eventually discovered minor violations of the underlying Costa Rica-Spain

Bilateral Investment Treaty (the "Treaty") but chose not to award Claimant any damages. It is believed that this ruling solidifies its standing as a government that respects international law and the commitments made to foreign investment. Only two of the thirteen ICSID cases in which Costa Rica served as a respondent are still active.

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#### **MEDIATION UPDATES**

Supreme Court directs states to set up

Mediation Cells at District and State for

Consumer Disputes

The Supreme Court recently directed the state to set up mediation cells in District and State Consumer Forums while deciding upon public interest litigation. A host of infrastructural deficiencies were pointed out in the dispute resolution mechanism, which served as a cause for the supreme court to give the above-mentioned direction. Similar directions were given for e-filing as well.

Read more

Delhi HC prescribes exclusion of time used in Mediation for the calculation of the Limitation period for the invocation of Arbitration proceedings

The Delhi high court recently observed that the time spent in the execution of mediation when mandated in the contract would be excluded from the period of limitation. The same would be applicable in cases of failed mediation and would mitigate the deterrence which the parties have with respect to entering the process of mediation, and will

promote the overall mandate of mediation.

Read more

Ex-CJI NV Ramana contends for making Negotiation and Mediation a part of the case management system

CJI NV Ramana emphasized mediation and negotiation stating that there are many merits to such alternate dispute resolution practices which include pendency reduction, saving of judicial resources and time, and increased control of the parties on the process and the outcome. He further called upon the lawyers to emphasize mediation and negotiation as methods for dispute settlement to their clients.

Read more

Mediation not mandatory where marriage has suffered irreparable damage: Allahabad High Court

The Allahabad High Court (Lucknow Bench) has noted that when a marriage has irretrievably fallen apart, the court is not supposed to act mechanically and compel the parties to participate in mediation.



#### **MEDIATION UPDATES**

The Justice Rakesh Srivastava and Justice Ajai Kumar Srivastava Bench, in Anamika Srivastava v. Anoop Srivastava, further emphasised that referring the parties to mediation is not always necessary, especially situations where the facts and circumstances of the case demonstrate that doing so would be useless.

#### **Read More**

## Delhi HC refers trademark infringement dispute for mediation in Coke Studio v.Cook Studio

A trademark infringement case involving the multinational music brand "Coke Studio" and the cooking website "Cook Studio" has been directed to mediation by the Delhi High Court. Coca-Cola's legal representatives asserted that the use of the trademark "Cook Studio" would be an infringement of their trademark "Coke Studio."The plaintiff, however, claimed that the two marks' colour schemes logos and are completely dissimilar and that the terms "Cook" and "Studio" are generic terms. Read More

Permanent Lok Adalats can Decide a

Dispute on Merits; but Conciliation

Proceedings Preceding it are

Mandatory: Supreme Court

The Legal Services Act of 1987 (LSA) grants the Permanent Lok Adalats Conciliation adjudicatory powers. proceedings under Section 22-C of the LSA are necessary in nature, according to the majority opinion of the bench made up of Justices DY Chandrachud and PS Narasimha. The Permanent Lok Adalat is required to follow the steps even if the opposing party does not show up. The court noted that a judgement on the merits is always the last resort and that the primary objective is the conciliation and settlement of conflicts involving public utilities.

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## Taiwan's mediation bill for resolving medical disputes gets passed

The legislative Yuan passed a bill for mandatory resort to mediation in both civil and criminal medical disputes before resorting to the courts. Under the bill, medical institutions are prohibited from refusing to provide medical records during the mediation process.



#### **MEDIATION UPDATES**

Furthermore, the mediation process will continue for three months, with another three months extension if the parties agree.

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## UK's New Incentive to Aid Family Mediations

Under a scheme in the UK, £500 mediation vouchers are issued with the aim of achieving mutually agreeable solutions for disputes between divorcing couples and reducing the burden of the family courts. It will avoid the family's to adversarial exposure proceedings and save costs. Fortunately, the scheme has been a success, with out-of-court complete partial settlements being reached in around two-thirds of the cases.

An extra £5.4 million in funding has been announced by the UK government.

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Arbitration clause cannot be invoked against an employer by a lead partner of a Joint Venture without the consent of the JV Partner

Joint ventures (JV) share resources and employees as well as divide projects and

profits, this partaking gives rise to complicated disputes especially when a dispute arises between the JV and the employer. It is important to take into account each partner's role in the aforementioned JV in line with the contract. It is also essential to look at the procedure that ought to be followed, prerequisite condition, which is mandatory before beginning any dispute resolution, i.e., whether this prerequisite condition requires initiation from the JV, its lead partner, or by the terms of the JV agreement. The Bombay in State **Electricity** High Court Distribution Company Limited v. Godrej and Boyce Manufacturing Company held that where a contract signed between the JV and the employer defines the JV as a contractor, there could not be any invocation of the arbitration clause by the lead partner of the said JV in its individual capacity, without the express consent of the JV or its JV partners. Read More

The Parliamentary Standing
Committee: Include govt-related
disputes in the Mediation Bill

The panel of the Parliamentary Standing Committee on Law and Justice, led by



#### **MEDIATION UPDATES**

BJP MP Sushil Modi, highlighted that it would be prudent to change the bill so that government-related issues are included in the bill given the current infrastructural and human resource constraints. Government-related issues should not be excluded from its scope since it will give the stakeholders confidence that mediation is a workable solution that even the government is willing to use in cases when it is a party. Read More

## SC rules that Pre-mediation process is mandatory in commercial cases

The Supreme Court ruled that premediation is required in business matters and that lawsuits that don't follow this rule would be dismissed. In Patil Automation Pvt Ltd vs Rakhija Engineers, a bench of Justices KM Joseph and Hrishikesh Roy determined that skipping the mediation step would be contrary to the goals of the Commercial Courts Act, 2015. The Supreme Court ruled that the court might even dismiss the complaint on its own initiative.

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Justice Chandrachud states the importance of mediation under Court-overburdening

According to Justice D Y Chandrachud of the Supreme Court, India's courts are highly loaded and desperately clogged, and mediation is a crucial instrument for conflict resolution given the alarmingly high percentage of cases that are pending. After officially opening the ILS Centre for Arbitration and Mediation of the Indian Law Society, he was giving the Justice Y V Chandrachud Memorial Lecture (ILSCA). The centennial year of the Indian Law Society has begun.

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### QUIZ

- 1. Arbitration is a subject matter enlisted in which list of the Seventh Schedule of the Constitution of India?
- a. Union List
- b. State List
- c. Concurrent List
- 2. Does an arbitration agreement require registration under the Registration Act, 1908?
- a. Yes
- b. No
- c. Depends
- 3. The Sports Arbitration Centre of India (SACI) was inaugurated in which Indian city in 2021?
- a. Ahmedabad
- b. Mumbai
- c. New Delhi
- 4. The Arbitration and Conciliation Act, 1996 is in furtherance of
- a. Supreme Court of India guidelines
- b. European Commercial Arbitration Procedure
- c.UNCITRAL Model Law
- 6. That "The validity of an arbitration agreement does not depend on the number of arbitrators specified therein" was held in the case of

- a. Sundamm Finace Ltd. v. N.E.P.C. India Ltd.
- b.M.M.T.C. Ltd. v. Sterlite Industries (India) Ltd.
- Bhim Singh v. State of Jammu and Kashmir
- 7. Unless otherwise agreed by the parties, arbitral proceedings are said to commence on
- a. The date on which a request for that dispute to be referred to arbitration is received by the respondent
- b. the date on which the Statement of Claim is filed
- c. the date on which the tribunal is constituted
- 8. The enforcement of foreign awards is dealt with under which part of the Arbitration Act
- a. Part 1
- b. Part 2
- c. Part 3
- 9. That emergency awards in an Indiaseated arbitration will be enforceable in India was held in the case of
- a. MCD v. Pradeep Oil Mills Pvt. Ltd
- b. Sundaram Finance Ltd. v. NEPCIndia Ltd.
- c. Amazon.com NV Investment
   Holdings LLC v. Future Retail Limited
   and Others



### QUIZ

- 10. Section 8 of the Arbitration Act dealing with the "Power to refer parties to arbitration where there is an arbitration agreement" is
- a. Peremptory
- b. Discretionary
- c. Directory
- 11. Section 87 of the Arbitration & Conciliation Act, 1996 was struck down in
- a. Uttarakhand Purv Sainik Kalyan Nigam
   Ltd. v. Northern Coal Field Ltd
- b. Mahanagar Telephone Nigam Limited
- v. Canara Bank & Ors
- c.Hindustan Construction Company Limited & Anr. v. Union of India & Ors.
- 12. The Group of Companies doctrine has been referred to a larger bench in
- a. Chloro Controls Ltd v. Severn Trent Water Purification
- b. Delhi Iron & Steel Ltd. v. UPSEB
- c. Cox and Kings Ltd v. SAP India
- 13. That "Part I of the Arbitration & Conciliation Act, 1996 is applicable only to all the arbitrations which take place within the territory of India" was held in the case of
- a. Bhatia International v. Bulk Trading SAb. Bharat Aluminium Co v. KaiserAluminium Technical Services

- c. Ramusagar Power Co Ltd v. General Motors Co.
- 14. The four-fold test to determine the question of arbitrability of a dispute in India was laid down in
- a. N. Radhakrishnan v. Maestro Engineers
- b. Vidya Drolia & Others v. Durga Trading Corporation
- c. Booz Allen and Hamilton Inc v. SBI Home Finance Ltd. & Others
- 15. Patent illegality as a ground to challenge awards was dealt with under three sub-heads in
- a. Board of Control for Cricket in Indiav. Kochi Cricket Private Limited
- b. Associate Builders v. DelhiDevelopment Authority
- c. ONGC v. Saw Pipes

#### **KEY**

01. c	06. b	11. c
02. b	07. a	12. b
03. a	08. b	13. a
04. c	09. c	14. c
05. c	10. a	15. c



#### **PATRON-IN-CHIEF**

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