



\$~J

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

Judgment reserved on: 27.05.2025

Judgment pronounced on: 29.08.2025

### + ARB. P. NO. 1733 OF 2024

M/s. KNR Tirumala Infra Pvt. Ltd.

.....Petitioner

Through: Mr. Siddhant Dwibedi, Mr.

Manoj Kumar, Advs.

versus

National Highways Authority of India

.....Respondent

Through: Mr. Santosh Kumar, Standing

Counsel with Mr. Devansh Malhotra, Mr. Kartik Gupta, Mr. Vaibhay Mishra, Mr.

Adithya Ramani, Advs.

**CORAM:** 

### HON'BLE MR. JUSTICE JASMEET SINGH

#### JUDGMENT

1. The present petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 ("the Act"), seeking directions for the appointment of the petitioner's nominee Arbitrator, Mr. Subhas I. Patel, outside the panel of Arbitrators maintained by the Society for Affordable Redressal of Disputes ("SAROD").

#### FACTUAL BACKGROUND

2. The respondent, National Highways Authority of India ("NHAI"), invited bids for the work of six-laning of NH-140 from Chittoor





(Design Km 0.000/Existing Km 158.000 of NH-4) to Mallavaram (Design Km 61.128/Existing Km 41.800 of NH-140), having a total design length of 61.128 kms in the State of Andhra Pradesh, under the Bharatmala Pariyojana on Hybrid Annuity Mode. The petitioner, M/s KNR Tirumala Infra Pvt. Ltd., a company incorporated under the Companies Act, 2013, emerged as the successful bidder and was issued a Letter of Acceptance. Pursuant to this, on 09.05.2018, the Hybrid Annuity parties entered into a Mode Agreement ("Agreement").

**3.** The arbitration clause is Clause 38.3 of the Agreement, and the same reads as under:

"38.3 Arbitration

38.3.1 Any Dispute which is not resolved amicably by conciliation, as provided in Clause 38.2, shall be finally decided by reference to arbitration by an arbitral tribunal constituted in accordance with Clause 38.3.2. Such arbitration shall be held in accordance with the Rules of Society for Affordable Redressal of Disputes ("SAROD"), New Delhi (the "Rules"), or such other rules as may be mutually agreed by the Parties, and shall be subject to the provisions of the Arbitration and Conciliation Act, 1996. The place of such arbitration shall be the Delhi and the language of arbitration proceedings shall be English.

38.3.2 There shall be an arbitral tribunal comprising three arbitrators, of whom each Party shall select one, and the third arbitrator shall be appointed by the two arbitrators so selected and in the event of disagreement between the two





arbitrators, the appointment shall be made in accordance with the Rules."

- 4. Disputes arose between the parties in relation to hindrances in execution of the project and the clearance of certain bills. The petitioner, by its letter dated 20.09.2023, invoked the conciliation mechanism under Clause 38.2 of the Agreement and raised claims amounting to approximately Rs. 202 crores. As the respondent did not respond to the said request, the petitioner, by its notice dated 03.05.2024, invoked arbitration under Clause 38.3 of the Agreement and nominated Mr. Subhas I. Patel, Former Secretary to the Government of Gujarat, as its nominee Arbitrator.
- 5. The respondent, in its reply dated 15.05.2024, objected to the said nomination. It contended that arbitration under the Agreement was required to be conducted in accordance with the Rules of SAROD, and that Rule 11.4 of the SAROD Arbitration Rules mandated that nominee arbitrators must be chosen from the SAROD panel. The respondent accordingly instructed the petitioner to invoke arbitration by issuing a notice to SAROD in terms of Rule 4 of the SAROD Arbitration Rules.
- 6. The petitioner, *vide* its letter dated 24.05.2024, disputed the contention of the respondent stated in the letter dated 15.05.2024 and asserted that it was not bound to nominate an arbitrator from the SAROD panel since it was not a primary member of SAROD. In support of its stand, the petitioner placed reliance on the judgment of this Court in *Rani Constructions Pvt. Ltd. v. Union of India, 2024 SCC OnLine Del 2164.*
- 7. Thereafter, by its letter dated 14.06.2024, the respondent reserved its right to challenge the petitioner's appointment of Mr. Subhas I. Patel





- but, in the meantime, proceeded to appoint Hon'ble Mr. Justice (Retd.) Pradeep Nandrajog as its nominee arbitrator.
- **8.** Aggrieved by the stand of the respondent, the petitioner has approached this Court by way of the present petition under Section 11(6) of the Act, seeking the constitution of an Arbitral Tribunal and recognition of its right to appoint Mr. Subhas I. Patel as its nominee arbitrator.

# **SUBMISSIONS OF THE PETITIONER**

- 9. Mr. Manoj Kumar, learned counsel for the petitioner, states that the petitioner is not a member of SAROD and therefore cannot be compelled either to obtain membership or to restrict its choice of arbitrator to the SAROD empanelled list. According to the petitioner, such compulsion would amount to an impermissible fetter on the freedom of choice guaranteed under the Agreement as well as the Act. In support of this contention, reliance is placed on the decision of this Court in *Rani Constructions* (*supra*).
- 10. It is further argued that the petitioner cannot be compelled to appoint its nominee Arbitrator from a panel which, in its view, is not broadbased and does not afford full freedom of choice. In this regard, reliance is also placed on the judgement of the Supreme Court in Central Organisation for Railway Electrification v. ECI-SPIC-SMO-MCML (JV), 2024 SCC OnLine SC 3219 ("CORE"), to submit that an appointment procedure which limits the choice of Arbitrators to a narrow or one-sided panel is impermissible in law.

## SUBMISSIONS OF THE RESPONDENT

11. Mr. Santosh Kumar, learned standing counsel for the respondent, has opposed the present petition. He submits that the role of the Court under Section 11 of the Act, is confined to examining the existence of





- an arbitration Agreement, and once such existence is established, the sanctity of the Agreement and its procedure must be maintained.
- 12. It is contended that Clause 38.3 of the Agreement expressly provides that arbitration shall be conducted in accordance with the SAROD Arbitration Rules, or such other rules as may be mutually agreed between the parties. Rule 11.4 of the SAROD Arbitration Rules mandates that the appointment of an Arbitrator, including a Presiding Arbitrator, must be from the panel maintained by SAROD. Since Mr. Subhas I. Patel, nominated by the petitioner, is admittedly not on the SAROD panel, his appointment is in clear violation of the agreed procedure.
- institution which maintains a broad-based and diverse panel of Arbitrators, and the respondent exercises no deep or pervasive control over it. Reliance is placed on the judgments of this Court in *Kamlesh Kumar v. Society for Affordable Redressal of Disputes and Others*, 2024 SCC OnLine Del 4856, and Kamlesh Kumar v. Society for Affordable Redressal of Disputes & Ors., 2025 SCC OnLine Del 2055, where it was held that SAROD functions as an independent institution and is not subject to the control of the respondent (NHAI).
- 14. It is also argued that the petitioner's reliance on *CORE* (*supra*) is misplaced, as the facts of that case are clearly distinguishable. In *CORE* (*supra*), the contractor was restricted to selecting two names from four officers of the Railways, from which the General Manager would select the contractor's nominee, while retaining the power to appoint the remaining Arbitrators. This clause was disapproved on the ground that it gave one party a dominant role in the appointment process. Such a factual matrix is wholly different from cases of





- institutional arbitration like SAROD or ICA, where appointments are governed by independent rules and a neutral panel.
- Constructions (supra) is also misplaced. That judgment was premised on an earlier version of the SAROD Arbitration Rules, which, by virtue of Circular dated 26.12.2024, has since been amended. Rule 4.4 no longer requires primary membership of SAROD as a precondition for invoking arbitration, and therefore the ratio of Rani Constructions (supra) cannot be applied to the present case.
- 16. To buttress his arguments, Mr. Kumar submits that under Section 11(2) of the Act, the entire process of appointment of Arbitrators constitutes a "procedure". It is well-settled that procedural amendments are retrospective in nature. Reliance in this regard is placed on *B.K. Educational Services Pvt. Ltd. v. Parag Gupta and Associates*, (2019) 11 SCC 633.
- 17. Mr. Kumar has also emphasized that the Act mandates that institutional arbitration should be promoted. Section 43D (2)(h) of the Act specifically provides that one of the objectives of the Arbitration Council of India is to "promote institutional arbitration by strengthening arbitral institutions."
- 18. Lastly, Mr. Kumar has contended that the petitioner is estopped by the terms of the Agreement from seeking to vary or depart from the contractual stipulations to which it had expressly agreed at the time of execution. It is further urged that the present petition suffers from non-joinder of a necessary party, namely SAROD, since any adjudication on the scope and applicability of the SAROD Rules would directly affect its institutional framework, and therefore, the petition as framed is not maintainable.





### ANALYSIS AND FINDINGS

- **19.** I have heard learned counsel for the parties and carefully considered their submissions.
- **20.** The principal question that arises for my consideration is whether the petitioner can nominate its Arbitrator outside the panel of Arbitrators maintained by SAROD, particularly in light of the amendment to the SAROD Arbitration Rules. This question, in turn, gives rise to certain connected issues which also need to be addressed.
- 21. The preliminary issue that falls for my consideration arises from the respondent's initial objection regarding the limited scope of judicial scrutiny under Section 11 of the Act. It has been contended by the respondent that the role of this Court at the referral stage is strictly confined to examining the existence of an arbitration Agreement, and once such existence is established, the sanctity of the Agreement and the procedure contemplated therein must be respected.
- 22. The Hon'ble Supreme Court has indeed consistently emphasized that the Arbitral Tribunal is the preferred authority to adjudicate upon issues of arbitrability and jurisdiction, while the referral court must refrain from embarking upon a detailed inquiry into disputed or complex questions of fact. This principle has been reaffirmed in SBI General Insurance Co. Ltd. v. Krish Spinning, 2024 SCC OnLine SC 1754, as well as in Interplay Between Arbitration Agreements under Arbitration, 1996 & Stamp Act, 1899, In re, (2024) 6 SCC 1, wherein it was categorically held that the scope of examination at the stage of appointment of an Arbitrator is limited to a prima facie assessment of the existence of a valid arbitration Agreement.
- **23.** Applying this settled position of law to the facts of the present case, since the parties have failed to reach a consensus on the appointment





- of an Arbitrator despite the existence of an arbitration Agreement, it becomes incumbent on this Court to intervene, and to refer the disputes to arbitration.
- **24.** The circular dated 26.12.2024, amending Rule 4.4 of SAROD Arbitration rules is reproduced below:





484

Annexure G



# SOCIETY FOR AFFORDABLE REDRESSAL OF DISPUTES (SAROD)

(An Initiative of NHAI and NHBF) Regd. Office: G-5&6, Sector-10, Dwarka, New Delhi - 110075 Tel.: 011-25074100/4200 Extn: 2080 Website: www.sarod.org.in; E-mail: secretariat.sarod@nhal.org; finance.sarod@nhal.org

# Circular No. 12012/02/2024-SAROD/01 dt. 26th December 2024

<u>Sub:</u> Amendments in SAROD Arbitration Rules (SAR) - rég.

The Governing Body of Society for Affordable Redressal of Disputes (SAROD), vide Circular Agenda, approved the following amendments on 24th December 2024 in SAROD Arbitration Rules (SAR):-

Rule No.	Existing Rule	Amended Rule
4.4	Primary Membership of SAROD shall be a pre-requisite for invoking arbitration under these Rules.	The Party may acquire Primary Membership of SAROD as per prescribed fee and procedure. It is not a pre-requisite for invoking arbitration under these Rules.
11.6	No Arbitrator will have more than 03 cases simultaneously.	No arbitrator will have more than 05 cases simultaneously.

SECRETARY SOCIETY FOR AFFORDABLE REDRESSAL OF DISPUTES NHAI-HQ, G-586, SECTOR-10. DWARKA, NEW DELHI-110075

To:

All Members of the Governing Body

#### Copy to:

- 1. PS to Chairman, NHAI
- 2. DG, NHBF
- All Empanelled Arbitrators under SAROD.
   Primary Members of SAROD.
- 5. Web Development team for hosting the circular on SAROD website.





- 25. The contention of the petitioner that, being a non-member of SAROD, it cannot be compelled either to obtain membership or to restrict its choice of Arbitrator to the SAROD empanelled list, cannot be sustained. The reliance placed on *Rani Constructions* (*supra*) is wholly misplaced. In that decision, the Court was concerned with a narrow controversy, namely, whether a party could be precluded from invoking arbitration altogether merely on the ground that it had not taken primary membership of SAROD.
- 26. The Court held that such a requirement would defeat the object of institutional arbitration and amount to an artificial barrier in accessing the agreed forum. The principle laid down was thus confined to ensuring that the door to arbitration is not shut on non-members merely because they had not enrolled themselves with SAROD. It did not, however, lay down that non-members, once having invoked arbitration, could pick and choose the procedural framework or disregard the institutional rules governing the arbitral process.
- 27. This position has, in any event, been clarified by SAROD itself through an amendment circular dated 26.12.2024, which now expressly provides that obtaining membership is not a mandatory precondition for invoking arbitration under its Rules. Non-members are equally entitled to initiate arbitration and participate in proceedings under the SAROD framework. Thus, the very mischief that was sought to be addressed in *Rani Constructions (supra)* has been remedied. Once this clarification is in place, the grievance of the petitioner on the score of compulsory membership loses all force. What remains binding upon both members and non-members alike is adherence to the SAROD Rules once arbitration has been invoked thereunder.





**28.** Apart from this, it is significant to note that the petitioner itself has, in multiple communications, unequivocally accepted that arbitration would be conducted under the SAROD Arbitration Rules. In its letter dated 03.05.2024, the petitioner stated:

"It would be appropriate to state that the Concession Agreement between the parties neither obligates us to take the primary membership of SAROD nor our Company is willing to take primary membership of SAROD, kindly be noted. Accordingly, the choice of Nominee Arbitrator is our prerogative and to this effect, we undertake to abide by Rules of SAROD for effecting Arbitration as per Clause 38.3 including payment of applicable fees to SAROD for conducting Arbitration. We also undertake to request our Nominee Arbitrator to follow the Rules of SAROD for arbitrating the disputes."

**29.** Similarly, in its subsequent correspondence dated 24.05.2024, the petitioner reiterated:

"At the outset, admittedly, we had stated in our letter dtd. 03.05.2024 that "We also undertake to request our nominee arbitrator to follow the Rules of SAROD for arbitrating the disputes." It is also not our position that arbitration will not be conducted as per the SAROD Rules pursuant to the provision of Clause 38.3 of the Contract. As such, the contention in Para-1 of NHAI's letter is admitted."

**30.** In light of the above, the controversy regarding compulsory membership of SAROD no longer survives. The petitioner's grievance is not about being bound by the SAROD Arbitration Rules but is





- confined to the requirement of nominating arbitrators only from the SAROD panel.
- **31.** The petitioner has contended that the panel maintained by SAROD is not broad-based and that requiring it to nominate its Arbitrator from such a panel would compromise one of the hallmarks of arbitration, namely the independence and impartiality of Arbitrators. Reliance is placed on the Conclusion part of *CORE* (*supra*) which reads as under:
  - "170.1. The principle of equal treatment of parties applies at all stages of arbitration proceedings, including the stage of appointment of arbitrators;
  - 170.2. The Arbitration Act does not prohibit PSUs from empanelling potential arbitrators. However, an arbitration clause cannot mandate the other party to select its arbitrator from the panel curated by PSUs;
  - 170.3. A clause that allows one party to unilaterally appoint a sole arbitrator gives rise to justifiable doubts as to the independence and impartiality of the arbitrator. Further, such a unilateral clause is exclusive and hinders equal participation of the other party in the appointment process of arbitrators;
  - 170.4. In the appointment of a three-member panel, mandating the other party to select its arbitrator from a curated panel of potential arbitrators is against the principle of equal treatment of parties. In this situation, there is no effective counterbalance because parties do not participate equally in the process of appointing arbitrators. The process of appointing arbitrators in CORE [Central Organisation for Railway Electrification v. ECI-SPIC-SMO-





MCML (JV), (2020) 14 SCC 712] is unequal and prejudiced in favour of the Railways;

- 170.5. Unilateral appointment clauses in public-private contracts are violative of Article 14 of the Constitution."
- 32. The judgment in *CORE* (*supra*) is distinguishable on the facts and has no application to the present case. In *CORE* (*supra*), the contractor was confined to selecting two names from a list of four officers of the Railways, from which the General Manager would choose the contractor's nominee, while retaining the exclusive power to appoint the remaining arbitrators. The clause was struck down as it vested one party with a dominant role in the appointment process. Such a situation is entirely different from cases of institutional arbitration, such as under the SAROD or ICA framework, where appointments are regulated by independent rules and drawn from a neutral panel.
- 33. The petitioner's contention, therefore, does not merit acceptance. Unlike in *CORE* (*supra*), the SAROD panel is not curated by NHAI, which is itself a party to the dispute. Rather, it is a broad-based and independent panel comprising former Judges of the Supreme Court and various High Courts, retired Bureaucrats, Secretaries to the Government of India, former Chief Information Commissioners, Chairpersons of statutory bodies, senior engineers, and other eminent professionals. This diverse and neutral composition ensures that there exists no conflict of interest with NHAI, and adequately addresses any apprehension regarding the independence or impartiality of the arbitrators so appointed.
- 34. Further, the Court in Kamlesh Kumar v. Society for Affordable Redressal of Disputes, 2024 SCC OnLine Del 4856 has held that





SAROD is an independent body not controlled by NHAI. The relevant paragraph reads as under:

"14. Applying the tests to the facts of the present case, it is seen that Respondent No.1 primarily functions as an Arbitral Institution and is not performing any governmental functions. Respondent No.1primarily provides for panel of Arbitrators for conducting arbitration. Respondent No.1 has got its arbitration rules. The arbitration rules provides the procedure as to how arbitration has to be conducted. The arbitration which is conducted by Respondent No.1 is ultimately governed by the provisions of the Arbitration and Conciliation Act. 1996. Material on record indicates that the purpose of the society is to provide only a forum to ensure cost effective and time bound resolution of disputes between Respondent No.2 and other entities. Respondent No.1 also selects and maintains the list of experts who can provide their assistance in the working of the society. Respondent *No.1 provides for panel of Arbitrators and also provides for* moral conduct of the Arbitrators. A perusal of aims and objects of Respondent No.1 does not show, that it performs any kind of governmental function. The Respondent.No.1 has got its own General Body and Governing Body. The Governing Body consists of eight (8) members. The appointment of the President of Governing Body is nominated by Respondent No. 2, however, it does mean that only an officer of Respondent No.2 has to be nominated. Any person can be nominated by Respondent No.2 and it could be a Retired Judge or an expert in the relevant field.





The Vice President is nominated by the National Highways Builders Federation (NHBF) which is completely a private entity of contractors and builders. Three members are nominated by Respondent No.2 and three members are nominated by National Highways Builders Federation (NHBF). There is equal amount of private participation in the Governing Body. Rules and regulations also do not in any manner suggest any kind of deep and pervasive control by Respondent No.2 over Respondent No.1."

35. The aforesaid decision was further challenged before the Division Bench of this Court, in the case of *Kamlesh Kumar v. Society for Affordable Redressal of Disputes & Ors.*, 2025 SCC OnLine Del 2055, and it was held as under:-

"17. Accordingly, if we closely scrutinize the functions of the respondent no.1/society and the manner in which its affairs are run and managed by the governing body and also the constitution of the governing body, we do not find that the NHAI exercises deep and pervasive control or even supervision over its affairs, both administratively as also financially. For this reason, we are unable to agree with the submissions made by the learned counsel representing the appellant that the respondent no. 1/society is either a State or its instrumentality within the meaning of Article 12 of the Constitution of India. We, thus, find ourselves in complete agreement with the findings recorded by the learned Single Judge in this regard in the judgment under appeal herein."

(Emphasis supplied)





- 36. The question whether the SAROD panel is broad-based or not and whether it upholds the concept of impartiality was recently discussed by this Hon'ble Court in *Villupuram Highways Construction (P) Ltd.*v. National Highway Authority of India, 2025 SCC OnLine Del 5167. The relevant portion reads as under:
  - "20. The short issue that arises for consideration in the three petitions is whether Petitioners are obliged to nominate their respective Arbitrators under Rule 11 of SAROD Rules from the panel maintained by SAROD or have the autonomy to nominate from outside the said panel.

...

23. From the aforementioned arbitration clause, it is clear that parties agreed that their inter se disputes shall be referred to SAROD, a society registered under the Societies Registration Act, 1860 duly represented by NHAI and NHBF and will be dealt in terms of Rules of SAROD. Concededly, **Petitioners** agreed that the arbitral proceedings, commencing from appointment of the Arbitrator till the passing of the award will be regulated by SAROD Rules read with the 1996 Act. Therefore, the rival stands of the parties will have to be tested on the anvil of the SAROD Rules with regard to constitution of the Arbitral Tribunal under Rule 11.

• • •

29. ... In my view, this apprehension is taken care of by SAROD, by ensuring that the panel is broad-based as also making the procedure for appointment of Arbitrators to constitute the panel transparent through a committee





appointed by the Governing Body of SAROD which has equal participation from NHAI and NHBF. NHAI has placed on record the list of Arbitrators maintained by SAROD as on 16.01.2025 valid for a period of two years, which shows that as many as 92 Arbitrators are empanelled and belong to diverse fields. As rightly flagged by counsel for NHAI, the list of Arbitrators includes former Judges of the Supreme Court and High Courts of different States; retired Bureaucrats such as Secretaries to Government of India having served in different Ministries/CVC/CIC/ Parliamentary Affairs; Chairman, Railway Board; Chief Advisor, Bihar State Planning Board; Member, NHRC; Special Director General, CPWD; Engineer-in-Chief/Chief Engineer, PWD; DG, CPWD etc. as also former officers of The panel is broad-based with people of NHAI. considerable standing, experience and repute in diverse fields and offers a free and wide choice to the Petitioners to choose from.

30. The apprehension of any bias or impartiality is further allayed by the fact that the panel is not curated by NHAI and as explained by counsel for NHAI, is prepared and maintained by SAROD, which is an independent arbitral institution run by the society formed by NHAI and NHBF, where NHBF is an organisation of all contractors/builders of National Highways, State Highways and Bridges in organised sectors across the country in a representative capacity, with approximately 108 members. Management of affairs of SAROD is entrusted to a Governing Body which





comprises of office bearers and members with the President being nominated by NHAI, Vice President by NHBF from its members and amongst the members, three are nominated by NHAI while the other three by NHBF. Clause 23.2 of Articles of Association of SAROD provides for formation of a Committee to prepare a panel of Arbitrators which examines and evaluates applications for empanelment/reempanelment of Arbitrators with four members having equal representation of NHAI and NHBF. SAROD invites applications from candidates/Arbitrators desirous of being empanelled and after careful scrutiny of the applications, credentials etc. of the applicants, prepares the panel in a transparent manner. The endeavour is to take Arbitrators from diverse fields with experiences in law, administration, engineering etc. The panel therefore cannot be held to be hit by the judgment in CORE (supra)."

(Emphasis supplied)

37. Similarly in the present case, as per the list of empaneled Arbitrators, the SAROD panel comprises of as many as 92 arbitrators drawn from diverse backgrounds, including former Supreme Court judges, former High Court judges across several States, retired Secretaries to the Government of India, Members of statutory bodies such as the NHRC, senior engineers, financial experts, and other professionals of high repute. The list placed on record by the respondent clearly demonstrates that the panel is not limited to NHAI officials or any single category, but instead includes individuals of considerable standing across multiple disciplines.





- 38. This Court is of the opinion that such a panel is broad-based and offers the petitioner a wide and meaningful choice, thereby he contention of the petitioner that its autonomy is curtailed by being confined to the SAROD panel is, therefore, without merit. Once the petitioner has agreed to arbitration under SAROD Rules, it must adhere to the appointment procedure in its entirety. Party autonomy does not extend to selectively applying institutional rules while discarding others.
- **39.** Accordingly, the argument that the SAROD panel is not broad-based is rejected.
- **40.** It must also be emphasised that once parties consciously agree to submit their disputes to an arbitral institution, the rules of that institution must be followed in their entirety. Institutional arbitration is designed to provide a neutral and structured mechanism for appointment and conduct of proceedings, and selective adherence to only those provisions that suit one party would undermine the very purpose of choosing institutional arbitration which also goes against Section 43D(2)(h) of the Act which talks about promotion of institutional arbitration by strengthening arbitral institutions.
- 41. Allowing a party to disregard the institutional framework and nominate an arbitrator of its own choice, despite the availability of a broad-based panel comprising diverse and eminent professionals, would defeat the rationale of institutional arbitration. It would amount to rewriting the agreed procedure and reintroducing the very element of unilateralism that institutional rules are meant to eliminate.
- **42.** Lastly, in the present case, the proceedings do not impinge upon the validity of the SAROD Arbitration Rules or the functioning of SAROD as an arbitral institution. The adjudication is confined to the rights and obligations of the parties inter se under the arbitration





Agreement. Accordingly, SAROD is neither a necessary nor a proper party to these proceedings, and its non-impleadment does not render the petition defective.

# **CONCLUSION**

- 43. In view of the aforesaid, the present petition is dismissed, giving liberty to the petitioner to nominate its Arbitrator from the panel maintained by SAROD, and thereupon both the nominee Arbitrators shall appoint the Presiding Arbitrator from the said panel.
- **44.** It is made clear that this Court has expressed no opinion on the merits of the cases, and all rights and contentions of the parties are left open.
- **45.** Pending applications, if any, also stand disposed of.

JASMEET SINGH, J

**AUGUST 29<sup>th</sup>, 2025/DE**