NATIONAL LAW UNIVERSITY DELHI

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NATIONAL

Supreme Court sets aside Arbitral Award due to inordinate delay rendering it unworkable (31 October 2025)

In 2004, Lancor Holdings Limited ("Appellant") signed a Joint Development Agreement with the landowners, one of whom is Prem Kumar Menon ("Respondent") to develop a commercial complex in Chennai. The conflict over completion and delivery of possession of the project then arose and the parties decided to go through arbitration. The case was heard by the sole arbitrator who reserved an award on 28 July 2012 but the award was not pronounced until 16 March 2016, almost four years later. The arbitrator did not give any reason why the process took such a long time, nor was the award clear about a variety of crucial points, thus forcing the parties to find further legal redress instead of solving the dispute.

The Appellant appealed against the award which was delayed by the section 34 of the Arbitration and Conciliation Act,1996 in the Madras High Court. The Single Judge first vitiated the award by the opinion that the delay had invalidated the arbitration process. The Division Bench of the High Court, on appeal, overturned that decision restoring the award on the technical ground that delay alone is not specifically listed among those grounds on which an award should be set aside under Section.

The Appellant was allowed by a division bench of the Supreme Court that included Justice Sanjay Kumar and Justice Satish Chandra Sharma to appeal to the award and the single judge had to revert to his decision to impose a stay on the award. The Court took a practical approach, noting that despite the fact that the Arbitration Act as amended before 2015 did not specifically punish delay, the three and a half-year gap between the hearing and the decision on the judgment inevitably causes the loss of memory and clarity.

The Court referred to the award as rudderless and perverse in that, following such a long period of absence, the award did not give a definite and binding decision and this in itself made the whole process of arbitration pointless.

The Court further clarified the legal stance where a simple delay may not be a statutory basis on setting aside an award, but it becomes a basis where the delay is such inordinate and inexplicable such that it has a negative impact on the quality of the decision.

The delay in this case led to the award violating the very basic public policy of India, which states that arbitration is meant to be an expedient and quick alternative to court proceedings and thus the award was overturned on the basis of contravening the basic public policy of India.

Supreme Court clarifies the scope of objections against Arbitral Award execution (03 November 2025)

MMTC Limited, a public sector venture, had signed a long term contract with Anglo American Metallurgical Coal Pty Ltd to supply coking coal. An argument arose when MMTC was unable to lift the coal on the basis of the global financial crisis and the case was arbitrated. The arbitral tribunal ruled in 2014 that MMTC was liable of breach of contract. This award was later appealed to in a sequence of legal actions and finally affirmed by the Supreme Court in December 2020. However, the respondent tried to enforce the award, and MMTC involved, claiming that the contractual basis of the agreement was a fraud, and the product of the conspiracy of its former officers.

In accordance with Section 47 of the Code of Civil Procedure, 1908, MMTC made objections to the Delhi High Court, with an application under Order 11, Rule 29. The party argued that the decree was not executable due to fraud alleged. The High Court denied the objections by finding that MMTC was essentially seeking to pursue anew the merits, including the fraud claims, which had not been pursued in the initial arbitration or as part of the further appeals pursuant to Section 34.

The appeal was dismissed by Justice Sanjay Kumar and Justice K.V. Viswanathan who were in the appellate division and upheld the judgment of the High Court. The Supreme Court took a restrictive interpretation of what an executing court under Section 47 can do. It made clear that any objections on this level can only be upheld when the decree was declared void ab initio or by the court that had no jurisdiction. The Court noted that the discovery by MMTC of the alleged fraud by former officers, years later, was in itself, post-hoc, and as such, an effort by the company to defer the payment that was inevitable.

The Court had noted that an execution proceeding is not amenable to a retrial. It believed that allowing broad-based objections would be detrimental to the finality of arbitral awards, and defeat the intention and intent of the Arbitration Act. In this respect, it dismissed the objections thus allowing the award to be enforced against MMTC.

Supreme Court of India rules that mere use of "Arbitration" in clause title does not imply valid agreement (07 November 2025)

M/s.. Alchemist Hospitals Ltd. (“Appellant”) signed a Software Implementation Agreement with M/s.. ICT Health Technology Services India Pvt. Ltd. (the “Respondent”) to provide a hospital management system. Controversies with respect to the purported flaws in the software also occurred, and the Appellant used the dispute-resolution provision defined in Clause 8.28 of the Agreement. That clause, which was labeled as Arbitration, provided that a difference of opinion should be submitted to the Chairman of the companies in question so that they can be resolved and that the parties could still utilize the civil court in case they were not satisfied with the decision.

The Appellant applied, under Section 11(6) of the Arbitration and Conciliation Act, 1996 to the High Court of Punjab and Haryana to obtain the appointment of an arbitrator. The application was rejected by the High Court which stated that the clause in question was not a valid arbitration agreement. The Court in its argumentation found that the specified process, which entailed negotiations between the Chairmen and the potential of a follow-up civil action did not amount to a binding arbitration and was in fact a mediation or internal settlement process. The Appellant did not like this dismissal and sought the Supreme Court.

An appeal before a bench of Justice Dipankar Datta and Justice Augustine George Masih was thrown out, hence upholding the ruling of the High Court. Even though the clause is titularly named Arbitration, the Supreme Court noted that the substantive terms of the Agreement did not reflect an explicit intent (consensus ad idem) to send cases to a private tribunal to obtain a binding resolution. The Court repeated that using the word arbitration, or the name arbitrator, is not enough to form an arbitration agreement where the clause needs new consent, or the finality of the decision is subject to appeal in civil courts.

The Court also added that the nature of arbitration is that the decision made by the tribunal is final and binding. Since Clause 8.28 clearly allowed parties to pursue a civil suit in case they were not satisfied with the results of the internal procedure, it does not have the key feature of an arbitration agreement. Citing Jagdish Chander and K.K.Modi, the Court found that the clause was simply a dispute-resolution procedure of an in-house character and thus did not bar the jurisdiction of civil courts, making the application of Section 11 unsustainable.

Supreme Court of India sets aside arbitral award against IRCTC for rewriting contract terms contrary to Railway policy

The Appellant, the Indian Railway Catering and Tourism Corporation (IRCTC), in 2013 gave catering contracts to M/s Brandavan Food Products ("Respondent") and other parties to provide services on premium train services like the Rajdhani, Shatabdi and Duronto. The argument began when the Railway Board gave Commercial Circular No. 67 of 2013, which instructed that regular meals should replace combo meals during the second service but clearly stated that any change should be done without raising the charges. The Respondent argued that this directive forced it to offer an expensive meal at a higher combo-meal tariff and thus making it suffer enormous financial losses. Moreover, the Respondent wanted to be paid back the money in relation to the welcome drinks given to the passengers, which it claimed were not well remunerated according to the new tariff regime.The case was sent to a sole arbitrator who decided in favour of the Respondent-caterers. The arbitrator has found that the caterers were entitled to compensation of the difference cost of the meals and the welcome drinks because they had been economically forced to act. The Appellant appealed this award on the grounds of Section 34 of the Arbitration and Conciliation Act, 1996 at the Delhi High Court. One of the judges of the High Court allowed the award to be set aside in part in regard to the meal claims but affirmed other provisions. When an appeal was made under Section 37, a division bench of the High Court reinstated the arbitral award on the basis that the decision by the arbitrator was a plausible interpretation of the contract. The ruling was later appealed at the Supreme Court

An appeal served on by a bench of Justice Sanjay Kumar and Justice Satish Chandra Sharma allowed this appeal and set aside the arbitral award in all its contents. The Supreme Court noted that the Master Licence Agreement (MLA) clearly gives precedence to Railway Board policies and circulars to other contractual documents. The Court found that the Arbitrator had in effect rewritten the contract by permitting reimbursement in the face of the express requirement set out in the circular of the Railway Board which freezes the charges instead of being a mere interpretation of the contract. The Bench has stated that the non-observance of binding statutory policies and contractual hierarchy is a patent illegality. As a result, the award was considered to be unsustainable, because it contravened the main postulates of justice and section 28(3) of the Act.

INTERNATIONAL

Russian Investors Threaten Belgium with BIT Claims as ECJ Reviews Ban on Sanctions-Related ISDS. (14 November 2025)

Two additional Russian investors have notified Belgium regarding potential investment treaty claims linked to the freezing of their assets in Euroclear. These investors, who have not been identified, join two others who issued similar notifications in September. They invoke the 1989 USSR–Belgium-Luxembourg Economic Union BIT, asserting that EU sanctions unlawfully impede the treaty's provision for the free transfer of funds. Their assets, though the investors are not sanctioned individuals, were frozen in 2022 following Russia's invasion of Ukraine. All four investors are represented by the Moscow firm Dyakin Gortsunyan and Partners. Belgium has not publicly addressed these claims or secured external legal counsel.

According to the BIT, a six-month cooling-off period is mandated before the investors can pursue arbitration under SCC or UNCITRAL regulations. Euroclear, which handles approximately €200 billion in frozen assets linked to Russia, has already transferred €1.55 billion to a fund supporting Ukraine, with further allocations planned for investors affected by asset seizures. Meanwhile, the EU considers utilizing €140 billion in frozen Russian state assets as collateral for a loan aimed at Ukrainian reconstruction—a plan that Belgium's Prime Minister has indicated may be obstructed without guarantees of shared legal risks among EU countries.

Russia Seeks US Supreme Court Review in Yukos Enforcement Battle (4 November 2025)

Russia has petitioned the US Supreme Court to appeal a ruling favoring Yukos Oil Company's former majority shareholders in their pursuit of US$65 billion in arbitration awards. The petition, filed on November 3, claims that Russia enjoys sovereign immunity as the claimant companies are "proxies" for oligarchs and thus were not legitimate foreign investors under the Energy Charter Treaty (ECT). The case involves offshore entities seeking to enforce 2014 UNCITRAL awards that determined Russia unlawfully expropriated Yukos. Russia contests the enforcement based on arguments that it never consented to arbitration and asserts that the claimants' control by Russian nationals undermines their foreign investor status. Despite Russia's claims, US courts have agreed that this issue does not affect jurisdiction regarding the arbitration. Russia's filing cites conflicts with other circuit decisions and stresses the significance of determining a claimant's entitlement to invoke investment treaties. The Yukos shareholders have not yet responded, following multiple international legal defeats for Russia regarding the enforcement of the awards.

ICSID Tribunal Declines to Halt Tunisian Criminal Inquiry in Zenith Energy Dispute (2nd week November 2025)

An ICSID tribunal dismissed a US$503 million claim by Canada's Zenith Energy against Tunisia, refusing to suspend domestic criminal proceedings involving Zenith's subsidiary EPZ. The tribunal determined that the summonses for EPZ to appear in a financial crimes investigation did not warrant intervention in Tunisia's judicial processes and found no urgency in the request for provisional measures. Zenith, represented by Clay Arbitration and Charles Russell Speechlys, claimed the investigations were meant to intimidate them after securing a US$9.7 million ICC award against state-owned ETAP, arguing that the summons complicated their defense and threatened ongoing arbitration processes. Tunisia, refuted these claims, indicating that the inquiries posed no real interference with the arbitration. The tribunal underscored that suspending criminal proceedings is a rare remedy requiring substantial proof and noted that the delay in requesting provisional measures undermined claims of urgency. Thus, it concluded no interim relief was warranted. This case is one of three disputes involving Zenith against Tunisia regarding alleged obstructions in oilfield development.

Dutch Court Upholds US$108 Million Award Against Venezuela, Affirms MFN-Based Consent to Arbitration (10 November 2025)

The Hague Court of Appeal has upheld a US$108 million UNCITRAL arbitration award against Venezuela, issued in favor of Venezuela US (VUS), a subsidiary of Occidental Petroleum. The court affirmed that the arbitral tribunal could invoke the most-favoured nation (MFN) clause in the Barbados–Venezuela Bilateral Investment Treaty (BIT) to permit UNCITRAL arbitration, even after Venezuela's withdrawal from the ICSID Convention. The tribunal concluded that while the BIT lacked direct provisions for UNCITRAL arbitration post-ICSID, the MFN clause allowed the claimant to utilize preferential dispute resolution provisions from the Venezuela–Ecuador BIT. In 2021, the tribunal found that VUS faced discriminatory treatment by being denied dividends that were accessible to Petrobras, resulting in a partial merits award of US$59 million plus interest, culminating in a total award of approximately US$108 million in 2022. Venezuela contested this ruling in Dutch courts, claiming that its ICSID Convention withdrawal nullified any further arbitration consent. The Court of Appeal dismissed this challenge, citing international law that athe validity of well-drafted MFN clauses extending to dispute settlement provisions, and upheld the award while ordering Venezuela to bear the costs. VUS was represented by De Brauw in the Dutch proceedings and by Freshfields in arbitration, while Venezuela engaged various counsel, including Amsterdam boutique Staunch, throughout the arbitration process. The award has been enforced in the United States, where a DC court ruled that enforcement does not conflict with the US's recognition of Venezuela’s government-in-exile.

UK Supreme Court to Decide If English Courts Can Block Foreign "Recognition" Suits on London-Seated Awards (11 November 2025)

The UK Supreme Court is set to hear an appeal from Pakistan's National Transmission & Despatch Company (NTDC) concerning the authority of English courts over foreign arbitration enforcement actions. The case revolves around whether English courts can issue anti-suit injunctions to prevent foreign court proceedings that seek to recognize and enforce an arbitral award under the New York Convention. Permission to appeal was granted on 6 November, following an injunction from the Court of Appeal that halted NTDC's proceedings in the Lahore High Court, which were deemed to violate the arbitration agreement and breach the exclusive supervisory jurisdiction of English courts as outlined in the Arbitration Act 1996. The Court of Appeal determined that the Pakistani suit contravened the arbitration agreement and posed a threat to the exclusive supervisory authority of English courts.

This dispute is rooted in a hydropower project in northern Pakistan, governed by a power purchase agreement. After disputes regarding project costs, Star Hydro initiated arbitration in 2021. Following the arbitration award, NTDC sought selective recognition of certain findings in the Lahore High Court while attempting to declare others unenforceable due to public-policy concerns. As a result, Star Hydro petitioned the English courts to restrain the ongoing Pakistani litigation.

London Court Blocks Attempt to Assign ICSID/ECT Award Against Spain (10 November 2025)

The Commercial Court in London ruled that arbitral awards under the ICSID Convention or the Energy Charter Treaty cannot be assigned, a significant blow to Blasket Renewable Investments' attempt to enforce a €33 million award. Judge Pelling KC interpreted both treaties to assert that only original parties to the arbitration may seek recognition or enforcement, emphasizing that registering an award in England does not create new rights for assignment. This stance contrasts with rulings in Australia and New York, which found ICSID awards assignable, but the judge indicated such decisions did not apply to English courts. The judge's application of the Vienna Convention's Article 54 limited enforcement rights to original arbitration parties, and he found no provisions in the ECT to support assignment. He rejected the notion that the lack of explicit prohibition allows transfers, concluding that neither treaty permits assignment. Consequently, while Blasket cannot claim rights directly, OperaFund and Schwab can still pursue enforcement, allowing Blasket to maintain commercial benefits through its agreements.

UPDATES

IBA Annual Conference 2025: Toronto Hosts Global Legal Elite

The International Bar Association (IBA) Annual Conference, the leading international legal practitioners group in the world, successfully concluded its 2025 edition in Toronto on November 7. Thousands of representatives of different countries have gathered in more than six days to deliberate on the most burning issues of the legal profession with much of the agenda being on the development of alternative dispute resolution.

The topics of intersection of ESG (Environmental, Social, and Governance) standards and investment treaty arbitration dominated the arbitration and mediation tracks of this year. Panels delved into the discussion of how tribunals are finding themselves to be burdened with the responsibility of balancing the rights of the investor with the right of governments to regulate the climate in the face of climate change.

Another high point of the event was the strong discussions on the instrument of the soft law that comes as a form of regulation on third party funding. Other than the technical talks, the Toronto conference will be remembered because it focused on the mental well-being in law profession which hit a chord during the full committee meetings as well as the networking halls.

Dubai Arbitration Week 2025: Defining the Future of MENA Disputes

Dubai Arbitration Week (DAW) concluded on Friday, November 14, establishing itself as an event that must be attended in the ADR calendar of the world. The current version was especially notable in the sense that it was also the first year of active operation of the new DIFC Court Law changes. The week was thoroughly exploited by the practitioners to unravel the early case law and practical implication of the new interim relief regimes. The sessions of the week swerved along between the technical and the philosophical. Among the highlight themes was the conflict of AI efficiency and human humanity in resolving disputes in which arbitrators were struggling to draw the lines of automated decision-making.

The week provided an unmatched networking with large companies such as 3VB and others holding full side events at such venues as Ritz-Carlton. The emerging agreement that emerges out of Dubai is that this is not a just an emerging market when it comes to arbitration but a mature and innovative jurisdiction that sets the standards that are to be emulated by the rest of the world.

FDI Moot 2025 Global Rounds: Future Leaders Convene in Boston

The 2025 Foreign Direct Investment (FDI) International Arbitration Moot Global Rounds concluded on November 2 in Boston, and it has been the final of an intense season of competition among law students all over the world. It is organized in the framework of the Center of International Legal Studies (CILS) and with the help of such institutions as ICSID, this year competition took place in the United States with top teams of regional rounds in Shenzhen, Nairobi, and Buenos Aires. The 2025 problem presented multiple participants with complicated questions about digital assets and state sovereignty, which required students to operate in the gray zone of the investment law in the present day. The tribunal courts, consisting of prominent arbitrators and scholars, said that advocacy was of a high standard and remarked that the new generation is already experienced on how to deal with the crossover between technology and treaty interpretation. Not only did the event make a new champion, but it also acted as an essential source of recruitment to the greatest international arbitration firms that were looking to hire talent.

45th ICC Institute Annual Conference: Monetary Remedies in Focus

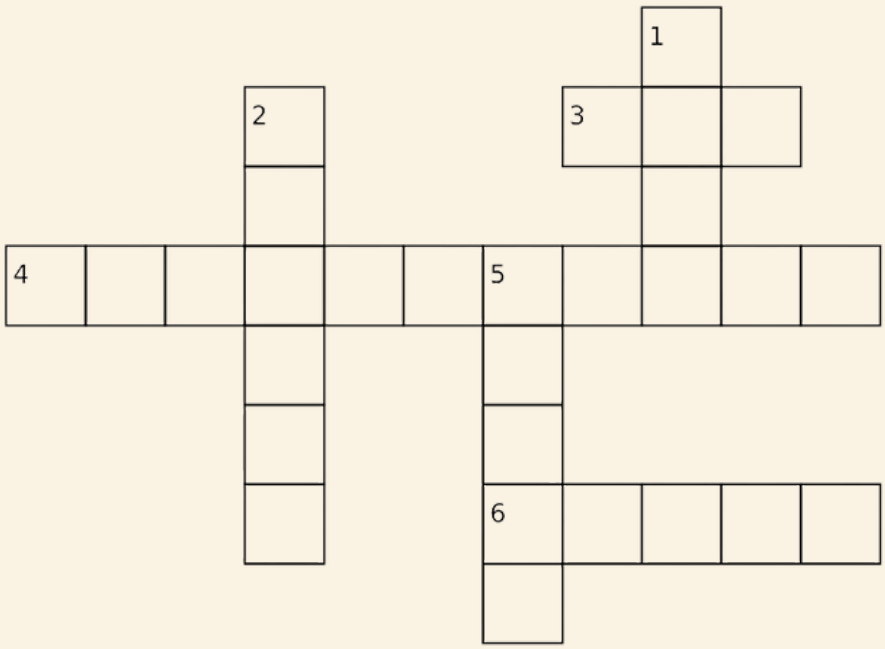
The 45th Annual Conference of the ICC Institute of World Business Law took place in Paris on the last day of this period, November 14. The theme of 2010, Monetary Remedies in International Arbitration, touched one of the most useful but least discussed topics of the arbitral process: getting the numbers right. The technical workshops that were conducted at the Hotel des Arts et Metiers were on interest computations, risks of currency fluctuations, and distressed assets valuation. The conference was no longer just a matter of theory of law but offered a toolkit to be followed by arbitrators and counsel to deal with the problem of complex quantum issues. The ICC Institute gave a very appropriate ending to a fortnight of ADR activity on the high note by reminding the practitioners that an award that is not enforced or even incorrectly calculated is of no benefit to anyone.

ICC UK Annual Arbitration & ADR Conference: The Economic Perspective

The Annual Arbitration and ADR Conference of the ICC United Kingdom was held in London on November 12 and provided me with a keen insight into the matter of Dispute Resolution: The Economic Perspective. At Hogan Lovells Atlantic House, held over the two days, was a rare breed of funders with corporate counsel, and government representatives all in one place to discuss how macroeconomic forces are transforming the arbitration environment. One of the key notes was the extensive exploration of the UK Arbitration Act 2025. The new statutory regulations concerning governance law and codified responsibilities of disclosure were discussed by the speakers, and the focus was on whether such amendments would effectively help London increase its competitiveness. Another issue addressed at the conference was the unconventionality of measuring damages in a geopolitically unstable environment and discussed panels provided feasible strategies of maneuvering through sanctions and state risk. To the practitioners, the incident was a guide to the business reality that motivated the dispute tactics of their clients towards the end of 2025.

CROSS-EXAMINATION!

This concise word puzzle is constructed exclusively from the subject matter and recent developments detailed in this issue and one clue from the previous issue.
We hope you enjoy this exercise!



Down:

1. Core transaction in Noida dispute, lease shuffled (look-back) (4)
2. Oligarch proxies seeking review for giant award? Court finally in the middle (5)
5. Union agreement partly iced triggers arbitration moves (2, 3)

Across

3. Event where desert forum shapes AI v humanity lines in disputes (3)
4. Where attempts to refight exceeded claims end (11)
6. Act changes capital's competitiveness kept inside corporate counsel's union (3, 2)

1.SALE 2.SCOTUS 3.DAW
4.ENFORCEMENT 5.EUBIT 6.ICCUK

THE TEAM

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