

CADR NEWSLETTER

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NATIONAL

Unsigned Contract Still Binds Parties To Arbitration If Conduct Shows Acceptance: Supreme Court (25 August 2025)

Facts: Glencore International AG, a Swiss mining and trading company, agreed multiple contracts with Shree Ganesh Metals, a proprietorship arising out of India, for the provision of supply of zinc alloys. The contracts signed earlier in time (2011-12) contained an arbitration clause which referred all disputes to LCIA, London. Then in 2016, there was an exchange of emails between the parties which confirmed terms for a new contract (6,000 MT zinc). Thereafter, even though Shree Ganesh did not sign it, it still accepted 2,000 MT of zinc, made payments, and procured Standby Letters of Credit referencing the contract. Thereafter, disputes arose between the parties, and Shree Ganesh instituted a civil suit in the High Court of Delhi, filing a Section 45 Petition under the Arbitration and Conciliation Act, 1996. The High Court rejected this on the ground that there was no concluded arbitration agreement as Shree Ganesh's signature was never present on the contract.



Ratio: The Supreme Court held that mere absence of signature by itself does not invalidate an arbitration agreement, especially when it can be evinced through the parties' conduct that contract terms were accepted. It relied on *Govind Rubber v. Louis Dreyfus* and reaffirmed that an arbitration agreement may be inferred from correspondence and conduct, even if unsigned, provided parties are *ad idem*. The bench further noted that at the stage of a Section 45 Petition, the standard applicable is merely of a *prima facie* nature, and referral courts should refrain from conducting a mini-trial. As Shree Ganesh had acted upon the 2016 Contract, the arbitration clause was binding on both parties. The parties were directed to arbitration.

Contractual 'No Interest' Clause Does Not Bar Pendente Lite Interest: Supreme Court In ONGC Case (02 September 2025)

Facts: ONGC had a drilling contract with G & T BecField. The arbitral tribunal (2004) awarded the contractor about 6.56 lakh US dollars, plus 12% interest starting from December 1998 (the date of the claim statement) and also gave ₹5 lakh costs. ONGC challenged it under Section 34, and the District Judge set it aside saying the award was unreasoned and that jurisdictional objections were not properly dealt with. The High Court later restored the award in full. When the case reached the Supreme Court, ONGC limited its challenge only to the interest part, pointing to Clause 18.1 of the contract which said ONGC would not pay interest on delayed or disputed payments.



Ratio: The Supreme Court said Section 31(7) allows tribunals to grant three types of interest: pre-reference, pendente lite, and post-award. Pre-reference and pendente lite can be excluded by agreement, but post-award interest is statutory and cannot be contracted out. Looking at Clause 18.1, the Court held it did not clearly bar pendente lite interest. It only said ONGC would not pay interest on delayed or disputed claims, unlike the sweeping “no interest at all in any situation” clauses seen in earlier cases like Sayeed Ahmed and THDC. Here, the arbitrators had already refused pre-reference interest and only gave 12% pendente lite, which was actually lower than the default statutory 18%. The Court said this was fair and within power. So, the award of interest stood and ONGC’s appeal failed.

Parties Bound To Appoint Arbitrators From SAROD Panel Under Institutional Rules: Delhi High Court (29 August 2025)

Facts: KNR Tirumala Infra had a highway contract with NHAI under a Hybrid Annuity Mode Agreement (2018). Disputes arose over delays and unpaid bills, leading KNR to raise claims of about ₹202 crores. It invoked arbitration and nominated Mr. Subhas I. Patel as its arbitrator. NHAI objected, saying the agreement required arbitration under Society for Affordable Redressal of Disputes (“SAROD”) Rules, which mandate choosing arbitrators from the SAROD panel. KNR argued it was not a SAROD member and so could not be forced to pick from that panel, relying on earlier Delhi HC precedent (Rani Constructions). NHAI, on the other hand, relied on more recent rulings and amendments clarifying that membership was not compulsory but that once SAROD rules are invoked, the parties must follow them, including the panel requirement.



Ratio: The Delhi High Court rejected KNR’s argument. It held that earlier concerns in Rani Constructions were cured by the 2024 SAROD amendment which removed the compulsory membership condition. The Court stressed that party autonomy cannot be stretched to allow selective application of institutional rules. Unlike in the CORE case, SAROD is an independent institution and its panel is broad-based, with former judges, senior bureaucrats, engineers, and other eminent professionals, not curated by NHAI. Since KNR had already agreed in writing to arbitrate under SAROD Rules, it was bound by them, including nominating arbitrators only from SAROD’s panel. The petition was dismissed, but KNR was given liberty to pick its nominee from the SAROD panel, after which the tribunal could be constituted.



Executing Court Retains Jurisdiction To Modify Stay Order And Direct Deposit With Interest: Calcutta High Court (19 August 2025)

Facts: An application was filed in the Calcutta High Court in connection with enforcement of an arbitral award where the award holder sought additional cash security from the award debtor for the balance award amount with interest. Earlier, the court had already granted a stay on enforcement after an application under Section 36(2) of the Arbitration Act was filed. The award debtor argued that since stay had already been granted, the matter was closed and no further modification could be made. The award holder, however, relied on principles under Order 39 Rule 4 CPC and submitted that the court retained discretion to modify conditions of stay in order to prevent hardship, including allowing withdrawal of deposited amounts against security.



Ratio: Justice Shampa Sarkar held that the Executing Court retains jurisdiction to modify the conditions of a stay order, even after it has been passed, in order to balance equities. The Court observed that a stay on enforcement under Section 36(3) is discretionary, not automatic, and applies equally to private parties and the State. Stay only bars execution, it does not bar accrual of interest or conditional withdrawal of deposits. Since the award debtors had not deposited the awarded sum, the Court directed them to deposit the balance claim amount with interest, while allowing the award holder to withdraw the same against counter-security. The ruling emphasized that the law aims to ensure award holders are not deprived of the fruits of their award for years due to protracted Section 34 proceedings. Filing of a Section 34 application no longer operates as an automatic stay, and permitting withdrawal with safeguards is an extension of that principle. Accordingly, the application was allowed.

INTERNATIONAL

Singapore International Arbitration Centre launches the “Restructuring and Insolvency Arbitration Protocol” (26 August 2025)

As a first of its kind in the world, the Singapore International Arbitration Centre has released a protocol focused on restructuring and insolvency arbitration. This protocol accompanied by a guidance note and model clauses seeks to standardize and expedite insolvency related arbitrations for proceedings seated in Singapore. The three of these documents intend to clarify procedure through specially curated mechanisms and provide practical guidance into how insolvency related arbitration proceedings can be effectively dealt with. The protocol also provides flexibility in application by extending it to situations wherein possible debt restructuring may be needed owing to the facts. Inclusion of insolvency professionals and non-litigious procedures can yield innovative resolutions and beneficial outcomes.



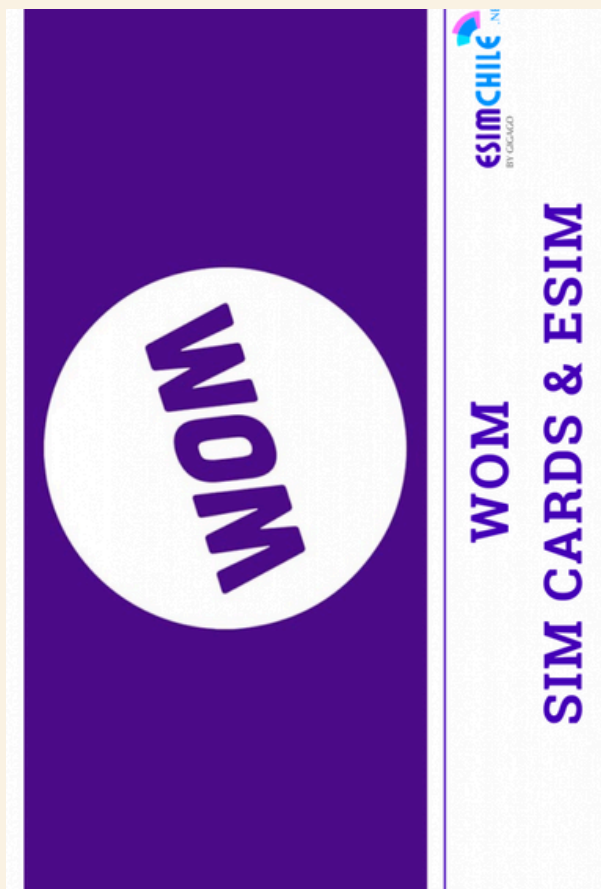
ICSID annulment committee upholds US\$76 million award against Georgia won by Russian energy group, RAO (21 August 2025)

Facts: State owned RAO had invested in Georgia’s liberalised electricity sector during the 1990s. Georgia sought the annulment of award won by RAO on the ground that the tribunal had manifestly exceeded its powers by finding the state liable for breaches which were already decided in a parallel SCC contractual claim. In December 2021, the SCC award had ordered Georgia to pay US\$ 27.5 million to RAO subsidiaries and a month later, the tribunal issued the ICSID award. It argued that printing the award by ICSID tribunal amounts to double recovery.

Ratio: While the chair of the committee partly dissented and held that ICSID tribunal exceeded its jurisdiction, it concurred with the other members in holding that the same does not warrant annulment of the award. The committee unanimously held that no serious departure from due process had occurred. It was found that the tribunal’s findings were tenable and claims and parties in both the proceedings were different. It noticed that there were different enforcement regimes available for both contractual and investment treaty awards.

Ukrainian oligarchs suspend US\$24 million ICSID claim against US (20 August 2025)

Ukrainian oligarchs suspended a US\$ 24 million ICSID claim against the US through an agreement. The claim was filed in 2021 against civil forfeiture proceedings by the US targeting their assets. The Department of Justice had accused the Ukrainian oligarchs of embezzling funds from PrivatBank. The tribunal which was hearing this claim had previously held that preliminary objections by the US did not meet the threshold for summary dismissal. The case now stands suspended pursuant to the agreement between the parties.



Mobile operator and Chile settle 5G rollout dispute (03 September 2025)

The Chilean government announced that it had reached an agreement with mobile operator WOM to withdraw its ICSID claim as well as litigations ongoing in Chilean courts. WOM, along with three associated entities filed the ICSID claim last year under the Norway-Chile bilateral investment treaty. The claims related to a 5G project in Chile with WOM valuing its investment at around US\$ 500 million. It had reached the pre-hearing stage. WOM has agreed to complete the project by next year and post additional guarantees worth 353,000 UF, with Chile paying 950,000 UF for delay and US\$500,000 for arbitration fees and costs. Chile has committed to deploying infrastructure for concession operations.

UPDATES

Vizag to Become Hub for International Arbitration After Mediation Conference

An International Mediation Conference was held in Vizag on September 5, with Andhra Pradesh Chief Minister N. Chandrababu Naidu and several Supreme Court judges in attendance. The conference highlighted the growing importance of Alternative Dispute Resolution (ADR) systems in the judicial landscape. Naidu announced the government's readiness to establish an international arbitration center in the city, aiming to create an ADR ecosystem that rivals global standards. The event emphasized the need for quicker, more accessible, and dignified methods of resolving disputes, especially in a rapidly growing economy.

NPAC Hosts 16th Annual International Arbitration Conference in New Delhi

The Nani Palkhivala Arbitration Centre (NPAC) hosted its 16th Annual International Arbitration Conference on September 5-6, 2025, in New Delhi. The event, themed "Navigating Arbitration in the Era of Digitisation and Reform," featured discussions on the English Arbitration Act 2025 and the growing use of Generative AI in evidence. The conference brought together legal experts, judges, and corporate leaders to explore the future of dispute resolution in a rapidly evolving digital and legislative landscape. It underscored India's ambition to solidify its position as a key global arbitration hub.

Delhi Arbitration Weekend's Third Edition to be Held in September

The third edition of the Delhi Arbitration Weekend (DAW) is scheduled for September 18-21, 2025, in New Delhi. Organized by the Delhi International Arbitration Centre (DIAC), the event will bring together legal experts, judges, and policymakers to discuss the future of arbitration. Key topics will include the impact of AI on evidence, the enforcement of arbitral awards, and the evolving legal landscape in India. The conference aims to strengthen India's position as a prominent hub for domestic and international dispute resolution.

MCIA Concludes Successful Singapore Roadshow

The Mumbai Centre for International Arbitration (MCIA) recently held its Singapore Roadshow as part of the Singapore Convention Week 2025. The event, which took place from August 27-29, was conducted in collaboration with prominent Singaporean law firms and institutions. The three key sessions were hosted by Clifford Chance, Allen & Gledhill, and HFW, underscoring a strong collaboration to promote India's evolving arbitration landscape and strengthen cross-border legal ties.

Asia-Pacific Commercial Mediation Competition Announces Winners

The 9th annual ADC-ICC Asia-Pacific Commercial Mediation Competition, held online from August 29-31, saw top teams from the Asia-Pacific region and beyond showcase their negotiation and problem-solving skills. The competition provided a platform for students to engage in simulated commercial mediation, judged by professional ADR practitioners. The University of Queensland was declared the winner, while the University of New South Wales was the runner-up. The competition is a major event for aspiring legal professionals and provides an entry point to the prestigious ICC International Commercial Mediation Competition.

Singapore Convention Week Draws Global ADR Leaders

The Singapore Convention Week, held from August 25-29, 2025, brought together a global community of dispute resolution professionals. The event featured seminars on the viability of investor-state dispute settlement (ISDS) in the Asia-Pacific and the road to successful mediation in ISDS cases. The week provided a key platform for policymakers, academics, and practitioners to exchange ideas and strengthen international legal cooperation, with a focus on promoting Singapore's role as a major ADR hub.

Doha Hosts Major Conference on ADR and IP

A significant two-day conference on the role of Alternative Dispute Resolution (ADR), Intellectual Property (IP), and innovation in advancing foreign investment for sustainable development took place in Doha, Qatar, starting on September 1. Organized in partnership with the World Intellectual Property Organization (WIPO) and other key institutions, the event highlighted Qatar's commitment to using ADR mechanisms like arbitration and mediation to attract investment. The conference emphasized how a strong IP framework and effective dispute resolution are crucial for economic growth and boosting investor confidence.

University of Delhi Commences Inaugural ADR Competition

The Faculty of Law, University of Delhi, began its inaugural Arun Jaitley National Alternative Dispute Resolution (ADR) Competition on August 25. The competition is structured in a hybrid format, with registrations closing on 14th September, 2025, preliminary rounds conducted online from September 26-27, and the final rounds on campus in early October. The winners of this prestigious event are yet to be determined, as the competition is still in its early stages.