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

+ **ARB. A. (COMM.) 59/2024 and I.A. 45343/2024**

UNION OF INDIA THROUGH PCMM/NRPetitioner

Through: Mr. Sushil Kumar Pandey, SPC and
Mr. Vaibhav Soni, Advs.

versus

M/S KRISHNA UDYOGRespondent

Through: Mr. Kamlesh Ojha and Mr. Yudhvir
Singh Chauhan, Advs.

CORAM:

HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

ORDER

% **14.05.2025**

1. The grievance raised by the petitioner in the instant appeal is with respect to an application under Section 17 of the Arbitration and Conciliation Act, 1996 (*hereinafter referred to as '1996 Act'*) that came to be filed on 06.06.2024. It is averred by Mr. Sushil Kumar Pandey, learned counsel for the petitioner that Arbitral Tribunal, without providing any opportunity to file the proper reply to the said application, passed the impugned order on 17.06.2024. Furthermore, Mr. Pandey contends that the Research Design and Standards Organization (RDSO) is an autonomous body which had taken the delisting action pursuant to the extant regulations and impugned order has been passed without hearing RDSO.

2. On the contrary, learned counsel for the respondent has controverted the submissions made by learned counsel for the petitioner. He contends that the impugned order is strictly in accordance with law and according to



him, the delisting action by RDSO, stayed by the Tribunal, is based upon the subject matter of the dispute, and therefore, the Tribunal has not erred in passing the impugned orders.

3. I have heard learned counsel for the parties and have perused the record of the case.

4. While going through the impugned order, it is not discernable whether any opportunity was extended to the petitioner to file the reply to the application under Section 17 of the 1996 Act. It is also to be seen that even no notice was issued to RDSO, which has passed the order of delisting of the respondent herein.

5. In view of the aforesaid, the Court finds that the principle of natural justice stands violated in passing the impugned order under Section 17 of the 1996 Act, and therefore, on this ground alone, the impugned order deserves to be set aside. The same is accordingly, set aside and the matter is remitted back to the Tribunal. The Tribunal shall re-hear the parties and pass orders afresh in accordance with law with due expedition.

6. Since the interim order passed by the Tribunal remained in operation for one year, therefore till the fresh adjudication is made by the Tribunal, the same shall remain in force.

7. Accordingly, the present appeal stands disposed of along with pending application(s).

8. Needless to state, nothing stated herein should be construed an expression on the merits of the case or otherwise.

PURUSHAINDR KUMAR KAURAV, J
MAY 14, 2025/DPA/MJ

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