



2026:DHC:2543-DB



\$~84

* IN THE HIGH COURT OF DELHI AT NEW DELHI

%

Date of Decision: 16.03.2026

+ LPA 109/2026, CM APPL. 14227/2026 & CM APPL. 14228/2026

TAURANT PROJECTS LTD

.....Appellant

Through: Mr. Raman Gandhi, Advocate.

versus

GAIL INDIA LTD

.....Respondent

Through: Mr. Ratan Kumar Singh, Senior Advocate (through VC) along with Mr. Nishant Awana, Ms. Rini Badoni, Mr. Nikhilesh Krishnan, Ms. Nitya Sharma & Ms. Ritika Priya, Advocates.

CORAM:**HON'BLE THE CHIEF JUSTICE****HON'BLE MR. JUSTICE TEJAS KARIA****JUDGMENT****TEJAS KARIA, J. (ORAL)**

1. The present Appeal is preferred challenging order dated 20.01.2026 (“**Impugned Order**”) in W.P.(C) 766/2026 (“**Writ Petition**”) whereby the learned Single Judge dismissed the Writ Petition challenging the order dated 26.11.2025 passed by the sole Arbitrator (“**Arbitral Tribunal**”) rejecting the application filed by the Appellant for bringing on record additional documents and seeking two weeks’ time to place on record additional affidavit of evidence of the Appellant’s witness.

Signature Not Verified

Signed By: NEELAM
SHARMA
Signing Date: 25.03.2026
20:23:54

LPA 109/2026

Page 1 of 10



2. The brief facts leading up to filing of the present Appeal are as under:
- 2.1. The Appellant and the Respondent have entered into the contract dated 08.05.2018 for laying and construction of underground steel pipeline network and associated works at Ranchi. As the dispute arose between the Parties in relation to handing over of the site and change in the pipeline route map, the Appellant invoked arbitration by issuing notice dated 23.11.2023.
- 2.2. As the Parties could not agree on the name of the sole Arbitrator, the Appellant approached this Court for appointment of the sole Arbitrator. *Vide* order dated 08.04.2024, a sole Arbitrator was appointed by this Court. Between 03.07.2024 and 26.03.2025, the Parties filed the pleadings along with the documents before the Arbitral Tribunal.
- 2.3. During the pendency of the arbitration proceedings, the Respondent terminated the contract on 29.03.2025.
- 2.4. Between 31.03.2025 and 31.07.2025, the proceedings before the Arbitral Tribunal were conducted whereby the Parties were directed to share draft issues and affidavit of evidence, which were submitted by the Parties. Accordingly, the Appellant filed affidavit of evidence of three witnesses on 16/17.07.2025 along with documents in Volumes V and VA and the Respondent filed an affidavit of evidence of one witness on 24.07.2025.
- 2.5. *Vide* order dated 25.07.2025, the learned Arbitral Tribunal recorded that the testimonies of Mr. Sandeep Pahwa and Ms. Poonam Sharma, witnesses of the Appellant, shall be covered by the testimony of the Appellant's witness Mr. Dinesh Lalwani and



2026:DHC:2543-DB



the cross-examination of Mr. Dinesh Lalwani was conducted between 28.07.2025 and 31.07.2025.

- 2.6. On 12.08.2025, the Appellant filed additional document as Volume VI containing the postal receipts / delivery reports and copies of the measurement sheets / inspection reports, which were signed by the Respondent's representative along with application seeking permission to take the said documents on record of the arbitration. *Vide* order dated 18.08.2025, the learned Arbitral Tribunal rejected the application of the Appellant.
- 2.7. Between 23.08.2025 and 03.09.2025, the Appellant filed various applications under the provisions of the Arbitration and Conciliation Act, 1996 ("**Arbitration Act**"). *Vide* order dated 23.09.2025, the learned Arbitral Tribunal rejected all the applications of the Appellant. Accordingly, the Appellant filed a writ petition challenging the orders dated 18.08.2025 and 23.09.2025 and sought a direction to the Arbitral Tribunal to take on record the documents filed as Volume VI and additional affidavit of evidence of the Appellant's witness.
- 2.8. *Vide* order dated 17.10.2025, the said writ petition was dismissed while granting liberty to the Appellant to file appropriate application before the learned Arbitral Tribunal seeking leave to file additional documents / evidence. Accordingly, the Appellant filed two applications seeking leave of the Arbitral Tribunal to place / bring on record the additional documents and to place on record the additional affidavit of evidence on behalf of the Appellant's witness, Mr. Dinesh Lalwani.



2026:DHC:2543-DB



2.9. *Vide* order dated 26.11.2025, the Arbitral Tribunal rejected both the applications while observing that the Appellant sought to produce additional documents in the midst of recording of cross-examination of the sole witness of the Appellant and probably to fill up the lacuna in the evidence. It was further observed by the Arbitral Tribunal that *vide* order dated 18.08.2025, the permission to place on record the same set of documents was declined. Accordingly, considering the delay likely to be caused in the timely completion of arbitration proceedings, the Arbitral Tribunal rejected the applications for seeking permission for production of additional documents and to file additional affidavit of evidence.

2.10. Being aggrieved by the order dated 26.11.2025, the Appellant filed the Writ Petition, which was dismissed *vide* the Impugned Order by the learned Single Judge on the ground that the Appellant had filed the applications belatedly after the cross-examination of the Appellant's witness had already commenced and since the Arbitral Tribunal is a master of its procedure, the same should not be tinkered with unless it is inevitable.

2.11. Hence, the present Appeal has been filed challenging the Impugned Order.

3. We have heard the learned Counsel for the Appellant and the learned Senior Counsel for the Respondent.

4. The learned Counsel for the Appellant contended that the Single Judge committed an error in law by failing to recognize that the Appellant was unable to present its case before the Arbitral Tribunal due to the Appellant's



inability to participate in the arbitration proceedings as a result of the medical condition affecting its authorized signatory, who also serves as the Director and Chief Executive Officer. Furthermore, it was argued that the Appellant was rendered incapable of effectively engaging in the arbitration process owing to circumstances beyond its control.

5. The learned Counsel for the Appellant also submitted that the Impugned Order fails to appreciate that the order passed by the Arbitral Tribunal under challenge in the Writ Petition denied a fair opportunity to the Appellant to present its case, which is an integral facet of natural justice. It was also submitted by the learned Counsel for the Appellant that the inconvenience to the Respondent would have been adequately compensated by cost.

6. It was submitted on behalf of the Appellant that Section 19 of the Arbitration Act does not create a rigid procedural regime, and it is intended to confer procedural flexibility, enabling the Arbitral Tribunal to modify the procedure where justice so demands. It was further submitted that the Impugned Order fails to apply the settled principle of proportionality, which requires balancing procedural discipline against substantive justice.

7. The learned Counsel for the Appellant submitted that the Supreme Court in *Bhaven Construction v. Executive Engineer, Sardarsarovar Narmada Nigam Limited*, (2022) 1 SCC 75, has recognized that writ jurisdiction may be exercised to entertain challenge against orders passed by the arbitral tribunals in exceptional circumstances and the present case squarely falls within such exception as the order passed by the Arbitral Tribunal defeats the basic fairness of the process.



8. It was additionally argued that the order issued by the Arbitral Tribunal, which was under challenge in the Writ Petition, did not constitute a routine procedural directive, as it entirely precluded the Appellant from presenting crucial evidence—thereby affecting the final outcome of the arbitration proceedings. It was further contended that the Arbitral Tribunal’s order failed to implement the liberty granted by this Court pursuant to its order dated 17.10.2025 in an earlier writ petition filed by the Appellant, by rejecting the applications submitted in accordance therewith.

9. The learned Counsel for the Appellant relied upon the decision of the Supreme Court in *Whirlpool Corporation v. Registrar of Trade Marks, Mumbai and Ors.*, (1998) 8 SCC 1, which held that the High Court has a discretion to entertain a writ petition under Article 226 of the Constitution of India, 1950 (“**Constitution**”), where the writ petition has been filed for the enforcement of any of the fundamental rights or where there has been a violation of principles of natural justice or where the order or proceedings are wholly without jurisdiction or the vires of an Act has been challenged.

10. The learned Counsel for the Appellant also relied upon *IDFC First Bank Limited v. Hitachi NGRM Net Limited*, 2023 SCC OnLine Del 4052, wherein it has been observed that there is no doubt that a remedy under Articles 226 and 227 of the Constitution are available against the orders passed by the arbitral tribunal, such challenges are not to be entertained in each and every case and the Court has to be “extremely circumspect”.

11. After examining the arguments presented on behalf of the Appellant, the primary issue in this appeal pertains to whether the facts of the present case constitute exceptional circumstances warranting the exercise of this Court's writ jurisdiction under Articles 226 and 227 of the Constitution.



12. The parameters for exercising writ jurisdiction by Courts have been clarified in the decision of ***Deep Industries Limited v. Oil and Natural Gas Corporation Limited and Anr.***, (2020) 15 SCC 706. The Supreme Court, after reviewing the scheme of the Arbitration Act, determined that the Arbitration Act operates as a self-contained code, reflecting a statutory policy aimed at the expeditious resolution of matters within prescribed timeframes. Although Section 5 of the Arbitration Act restricts judicial intervention except where explicitly provided in Part I of the Act, Articles 226 and 227 of the Constitution, being constitutional provisions, remain unaffected. Nonetheless, the Court emphasized that interference with orders of the arbitral tribunal orders should only be in cases of “manifest lack of inherent jurisdiction”.

13. In ***Bhaven Construction (supra)***, the Supreme Court, while relying on ***Deep Industries (supra)***, held against permitting judicial intervention beyond the procedures established under the Arbitration Act while entertaining writ petitions under Articles 226 and 227 of the Constitution against the orders of the arbitral tribunals. It was further held that this discretion should be exercised solely in exceptional circumstances where a party is left without remedy under the statute or clear evidence of bad faith exists. The Court further noted that such a stringent standard aligns with the legislative intent to ensure fairness and efficiency in arbitration proceedings.

14. This Court in ***IDFC First Bank (supra)*** relying upon ***Deep Industries (supra)*** and ***Bhaven Construction (supra)*** refused to entertain the writ petition under Article 226 of the Constitution on the ground that the remedy of arbitration was the chosen remedy by the parties and the facts of the case did not constitute “exceptional circumstances” that warranted interference under Article 226 of the Constitution.



15. In view of the foregoing discussion, it is clear that the writ jurisdiction under Articles 226 and 227 of the Constitution to challenge orders passed by the arbitral tribunals is seldom invoked, and that too only in exceptional circumstances, such as when the arbitral tribunal's order demonstrably and patently lacks inherent jurisdiction, when a party has no remedy under the Arbitration Act, or when clear bad faith of one of the parties is clearly established.

16. In the facts of this particular case, the Appellant has sought to invoke the writ jurisdiction to contest the Arbitral Tribunal's decision rejecting its requests for production of additional documents and submission of an additional affidavit of evidence. The Arbitral Tribunal declined these requests by passing a reasoned order on the basis that allowing additional documentary and oral evidence at the stage requested would have inordinately delayed the arbitration proceedings. Furthermore, the Tribunal noted that the cross-examination of the Appellant's witness was ongoing when the applications were filed with an apparent intention of rectifying gaps in the Appellant's evidence, which was not permissible.

17. As highlighted by the learned Single Judge in the Impugned Order, the Arbitral Tribunal retains authority over procedural matters. Considering the stage of the arbitration at which the request for producing additional evidence was made, the Arbitral Tribunal rightfully exercised discretion in denying the Appellant's request, which falls entirely within its prerogative. The Tribunal's order, challenged *via* the Writ Petition under Articles 226 and 227 of the Constitution, is well reasoned and does not meet any of the exceptional criteria warranting judicial intervention under writ jurisdiction.



18. Since the Appellant itself sought permission from the Arbitral Tribunal to submit additional documents and affidavits, it thereby acknowledged the Arbitral Tribunal's jurisdiction to grant such permission. A failure by the Tribunal to exercise this jurisdiction does not constitute a lack of inherent jurisdiction. Therefore, unless there is a manifest absence of inherent jurisdiction, the Court's discretionary powers under Articles 226 and 227 cannot be exercised to interfere with the orders of the Arbitral Tribunal.

19. Furthermore, the Appellant is not left remediless as the order challenged in the Writ Petition will merge with the final award that will be passed by the Arbitral Tribunal and if the same is against the Appellant, it would be open for the Appellant to challenge the same under Section 34 of the Arbitration Act. Section 34(2)(a)(iii) of the Arbitration Act clearly provides as under:

“34. Application for setting aside arbitral award.—

(1)

(2) An arbitral award may be set aside by the Court only if—

(a) the party making the application 1 [establishes on the basis of the record of the arbitral tribunal that—

(i) ...

(ii) ...

(iii) the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or”

20. Therefore, the Appellant will have the right to contest the award, if it is ultimately rendered unfavourably, based on its argument of the inability to present its case due to the Arbitral Tribunal's refusal to admit additional documents and an affidavit of evidence, as challenged in the Writ Petition. Consequently, the Appellant has an appropriate remedy to challenge the award, if necessary, on grounds that the Arbitral Tribunal did not exercise its



2026:DHC:2543-DB



jurisdiction by denying permission to submit additional documents and affidavits, thereby restricting the Appellant's opportunity to fully present its case.

21. Based on the foregoing, the facts and circumstances of this case do not constitute any exceptional situation warranting the exercise of writ jurisdiction under Articles 226 or 227 of the Constitution as the Arbitral Tribunal neither lacked inherent jurisdiction nor the Appellant is left without recourse. Moreover, the Tribunal's order cannot be considered perverse, as it provides clear reasons for declining the applications for additional documents and affidavits, which may be addressed during any challenge to the award should it be adverse to the Appellant. Accordingly, no infirmity is found in the Impugned Order. As a result, the present Appeal is dismissed, along with all pending Applications. There shall be no order regarding costs.

TEJAS KARIA, J

DEVENDRA KUMAR UPADHYAYA, CJ

MARCH 16, 2026

ap