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

Date of Decision: 13.03.2026

+ O.M.P. (COMM) 103/2025, I.A. 5454/2025 (For Exemption) &
I.A. 5455/2025 (For Stay)

M/S SCL-CRC21B JV

.....Petitioner

Through: Dr. Amit George, Mr. Rishabh
Dheer, Ms. Aishwarya Singh,
Ms. Medhavi Bhatia, Mr.
Sarthak Bhardwaj, Ms.
Adhishwar Suri, Ms. Rupam
Jha, Mr. Dushyant Kaul, Mr.
Brighu Pamidighantam, Mr.
Vaibhav Gandhi, Mr. Kartikey
Puneesh and Mr. Prateek
Srivastava, Advocates.

versus

RAIL VIKAS NIGAM LIMITED

.....Respondent

Through: Mr. Jitendra Kumar Singh, Ms.
Shivpriya and Ms. Harshita
Singh, Advocates.

CORAM:

**HON'BLE MR. JUSTICE HARISH VAIDYANATHAN
SHANKAR**

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JUDGEMENT (ORAL)

HARISH VAIDYANATHAN SHANKAR, J.

1. The present petition has been filed under Section 34 of **the Arbitration and Conciliation Act, 1996¹**, seeking to set aside what has been termed as an “Interim Award” dated 26.11.2024.

2. The relevant portion of the impugned Interim Award, which is

¹ Act



sought to be challenged, reads as follows:-

“ 14. The Arbitral Tribunal heard the arguments of both Claimants and the Respondents on 11.11.2024 (online) and 26.11.2024 (physical). The Tribunal decided on the objections raised in the Respondent Application dated 24.10.2024 with regard to C-93 to C-96 as follows:

a) Ex. C-93. This is regarding Certificate of CA dated 10.10.2024 submitted by the Claimant's witness, as this document has been created on 10.10.2024 as evident from the date of Certificate by the CA. The pleadings in this case were completed by 13.09.2024 and admission/ denial was over by 28.09.2024. Hence in opinion of the Tribunal it is a new document which came into existence only after completion of admission/ denial, so it cannot be taken on record.

b) Ex. C-94: This is regarding documents of deliberation of a “committee for amicable solution....” dated 18.11.2021 in some another Contract. Respondent argued that the documents submitted with the affidavit are different from the document submitted in the pleadings 8 pages are common and 4 pages are different and one page is new. This document is not a policy circular but a recommendation of the Committee in regard to the specific contract and not applicable in general Arbitral Tribunal is of the view that this is an additional document. Hence it is not taken on record.”

3. Learned counsel appearing on behalf of the Petitioner contends that the present Petition under Section 34 of the Act is maintainable as the learned Arbitral Tribunal has entered into a discussion on the merits of the matter. It is further submitted that while refusing to take the said documents on record, the learned Arbitral Tribunal has rendered certain findings which would enter into the realm of merits of the various claims as raised by the Petitioner.

4. Learned counsel appearing on behalf of the Petitioner seeks to rely upon the judgment of the Division Bench of this Court in *Aptec Advanced Protective Technologies AG v. Union of India*², to support his contention that observations on the merits of the claim have been



made and thereby rendering making the impugned order an Interim Award which can be subjected to challenge under Section 34 of the Act.

5. He further seeks to substantiate the same by relying upon the Claim No. 3 raised in its Statement of Claims as well as Rejoinder. While doing so, the learned counsel submits that in respect of the refusal of exhibit C-94, the learned Arbitral Tribunal has entered into the merits of the said claim by holding that the said document would not be relevant for the purpose of adjudicating the said claim.

6. He also submits that such observation by the learned Tribunal is at variance with the stand taken by the Petitioner in both the Statement of Claim as well as in the Rejoinder, as therein reliance has been made upon the said document to canvass that the formula that is to be used for the purpose of calculating the prolongation cost is set out in the said document.

7. **Per Contra**, Mr. Jitendra Kumar Singh, learned counsel who appears on behalf of the Respondent, submits that the present Petition is not maintainable since the Order that has been sought to be challenged is not in the nature of an Interim Award. For the said purpose, he relies upon the various judgments of this Court, *inter alia*, the judgment of this Court in ***H.S. Nag and Ors v Asian Hotel (North) Ltd***³ and, in particular Para 108 thereof.

8. He further seeks to rely upon the Judgment of the Division Bench of this Court in ***Fortuna Skill Management Pvt. Ltd. (formerly known as Iqor Global Services India Pvt. Ltd.) v Jaina Marketing &***

² 2025 SCC OnLine Del 92

³ 2026:DHC:1396



*Associates*⁴, to contend that at such a belated stage, the documents could not have been sought to be introduced by the Petitioner. He, in particular, relies on Para 16, 17, 37 and 41 thereof.

9. This Court has heard the submissions of the parties and, with their able assistance, perused the material on record.

10. This Court, recently, in *H.S. Nag and Ors vs. Asian Hotel (North) Ltd*⁵, had occasion to examine the nature and characteristics of an interim award under the Act. After considering the relevant provisions of the Act and the judgment of the Hon'ble Supreme Court in *IFFCO Ltd. v. Bhadra Products*⁶, along with various precedents of this Court, a detailed discussion was undertaken regarding the scope of interference under Section 34 of the Act concerning an award including interim award, the distinction between a procedural order and an interim award, and the governing test for determining what constitutes an interim award. The relevant portion of the judgment of *H.S. Nag and Ors (supra)* reads as under:

“54. The Respondent asserts that the Impugned Orders are in the nature of procedural directions, which do not attract the interference of this Court under Section 34 of the Act. The Petitioners, on the other hand, contend that though coloured as procedural, the Impugned Orders operate with finality, affecting their substantial rights, thereby assuming the character of interim awards.

55. In this backdrop, before embarking upon an examination of the merits, this Court deems it apposite to first address the preliminary objection as to the maintainability, since the adjudication upon the merits of the present Petitions necessarily hinges upon whether the Impugned Orders are amenable to challenge under Section 34 of the Act.

56. In view of the apparent divergence in approach, discernible from various precedents and the consequent uncertainty surrounding the question as to what constitutes an “interim award”,

⁴ 2024:DHC:4991

⁵ 2026:DHC:1396

⁶ (2018) 2 SCC 534



this Court deems it apposite to examine the statutory scheme, the governing jurisprudence as established by various judicial precedents, with some degree of clarity.

57. Accordingly, the discussion that follows is organised along three distinct yet interrelated facets, viz., first, the scope and limits of judicial interference permissible under Section 34 of the Act vis-à-vis an Order passed in the course of arbitral proceedings; second, the legal contours and attributes of what constitutes an “Interim Award”; and third, whether the Impugned Orders, when examined on the touchstone of the settled principles, satisfy the parameters so as to fall within the ambit of an “Interim Award” amenable to challenge under Section 34 of the Act.

Interference under Section 34 of the Act extends to an Arbitral Award, including an ‘Interim Award’

58. It is well settled that the jurisdiction under Section 34 of the Act is neither appellate nor supervisory in the conventional sense. The Court does not sit in appeal over the findings of the Arbitral Tribunal, nor does it re-appreciate evidence or correct errors of fact or law, save where such errors fall within the narrowly tailored grounds statutorily prescribed. The provision thus reflects a conscious legislative departure from expansive judicial review and is rooted in the principle of party autonomy and finality of arbitral adjudication.

60. Further, Section 2(1)(c) of the Act defines the expression “Arbitral award”, which expressly includes interim awards. Section 2 of the Act is reproduced herein under for the sake of clarity:

“2. Definitions. — (1) In this Part, unless the context otherwise requires, —

(c) “arbitral award” includes an interim award;”

61. A conjoint reading of Section 2(1)(c) and Section 34 of the Act makes it abundantly clear that the jurisdiction of the Court under Section 34 extends to the setting aside of an interim award as well, provided such interim award satisfies the statutory requirements and falls within the limited grounds expressly enumerated under Section 34 of the Act and their consistent interpretations by the Courts.

62. To complete the scheme of the Act, Section 31(6) of the Act is also material. It empowers an Arbitral Tribunal to render an interim award at any stage of the arbitral proceedings, prior to the pronouncement of the final award, in respect of any matter on which it may make a final determination. The same is reproduced herein under for the sake of completeness:

“**31. Form and contents of arbitral award. —**

(6) The arbitral tribunal may, at any time during the arbitral proceedings, make an interim arbitral award on



any matter with respect to which it may make a final arbitral award.”

63. A holistic reading of the aforesaid statutory provisions leads to two clear and inescapable conclusions. First, that an Arbitral Tribunal is vested with the authority to render an interim award during the pendency of the arbitral proceedings, prior to the culmination of final adjudication. Second, that such interim awards, being statutorily subsumed within the definition of an arbitral award, are amenable to judicial scrutiny under Section 34 of the Act, subject to the same limited and well-settled grounds on which a final arbitral award may be interfered with.

64. At the same time, it must be underscored that though the statute includes an “interim award” within the ambit of an arbitral award, it does not follow that every interlocutory or procedural order passed during arbitral proceedings partakes such character.

65. However, this statutory inclusion does not efface the fundamental distinction between a determination that conclusively adjudicates an issue and, a direction that merely regulates the conduct of proceedings. It is this nuanced yet decisive distinction that now warrants closer judicial scrutiny.

Distinction between a Procedural Order and an Interim Award passed by an Arbitral Tribunal

66. Having thus established that the jurisdiction of this Court under Section 34 of the Act extends, in principle, to an interim arbitral award, the enquiry must now turn to the equally significant question, namely, what, in law, qualifies as an “interim award”.

67. Further, since the Act does not expressly define what constitutes an “interim award”, this Court deems it necessary to advert to the judicially evolved principles which illuminate its nature, attributes and legal contours. The classification of an order cannot depend upon nomenclature alone but must be determined by its substance and legal effect.

68. The Hon’ble Supreme Court in *IFFCO* (supra), while authoritatively interpreting the expression “interim award”, held that an Arbitral Tribunal is empowered under Section 31(6) of the Act to render an interim award on any matter in respect of which it is competent to make a final award. The Court clarified that the expression “any matter” is of wide import and encompasses any point of dispute between the parties that calls for a definitive adjudication.

69. At the same time, the decision underscores that such a determination must possess the element of finality in respect of the issue decided, so as to qualify as an interim award within the statutory framework. The relevant observations of *IFFCO* (supra) are extracted herein under for ready reference:

“**8.** The language of Section 31(6) is advisedly wide in nature. A reading of the said sub-section makes it clear that the jurisdiction to make an interim arbitral award is



left to the good sense of the arbitral tribunal, and that it extends to “any matter” with respect to which it may make a final arbitral award. The expression “matter” is wide in nature, and subsumes issues at which the parties are in dispute. It is clear, therefore, that any point of dispute between the parties which has to be answered by the arbitral tribunal can be the subject matter of an interim arbitral award. However, it is important to add a note of caution. In an appropriate case, the issue of more than one award may be necessitated on the facts of that case. However, by dealing with the matter in a piecemeal fashion, what must be borne in mind is that the resolution of the dispute as a whole will be delayed and parties will be put to additional expense. The arbitral tribunal should, therefore, consider whether there is any real advantage in delivering interim awards or in proceeding with the matter as a whole and delivering one final award, bearing in mind the avoidance of delay and additional expense. Ultimately, a fair means for resolution of all disputes should be uppermost in the mind of the arbitral tribunal.

9. To complete the scheme of the Act, Section 32(1) is also material. This section goes on to state that the arbitral proceedings would be terminated only by the final arbitral award, as opposed to an interim award, thus making it clear that there can be one or more interim awards, prior to a final award, which conclusively determine some of the issues between the parties, culminating in a final arbitral award which ultimately decides all remaining issues between the parties.”

70. The Hon’ble Supreme Court, in the aforesaid judgment, underscored that although arbitral proceedings culminate only upon the pronouncement of the final award, the statutory scheme unmistakably contemplates rendering of one or more interim awards during their pendency. Such interim awards are not mere procedural directions, rather they are determinations that finally and conclusively adjudicate specific issues or claims between the parties. The interim orders decisively settle the discrete facets of the dispute, and thus, progressively narrow the field of controversy and pave the way toward the final award.

75. The common thread running through the aforesaid decisions is that the twin pillars of ‘finality’ and ‘substantive issue determination’ form the bedrock of the test. An order that merely regulates procedure, even if it affects a valuable right, does not cross the statutory threshold unless it conclusively determines a substantive component of the arbitral reference.

76. In view of the foregoing discussion, it stands well settled that an interim award must bear the hallmark of finality in respect of the



issue it addresses. The determinative consideration is whether the arbitral tribunal has conclusively adjudicated a substantive component of the dispute and rendered itself *functus officio* qua that issue. If nothing further remains to be decided on that aspect within the arbitral proceedings, such a determination would fall within the ambit of an interim award and would be amenable to challenge under Section 34 of the Act, notwithstanding that the arbitration continues in respect of other matters.

77. Therefore, the question as to whether an order constitutes an “interim award” is no longer *res integra*. The determination does not hinge upon the nomenclature employed by the Arbitral Tribunal, but upon the substance, effect, and legal consequences of the order in question. The Court must examine whether the order conclusively adjudicates a substantive issue between the parties at an intermediate stage of the proceedings, thereby leaving nothing further to be decided on that issue.

Nature of the Impugned Orders: Procedural or Interim Award

78. Having delineated the statutory framework and crystallised the principles as to what constitutes an “interim award” within the meaning of Sections 2(1)(c) and 31(6) of the Act, this Court now proceeds to examine whether the Impugned Orders, in substance and effect, meet the settled parameters so as to attract the jurisdiction of this Court under Section 34 of the Act.

104. The judicial precedents cited and analysed hereinabove yield a clear and consistent position in law, i.e., an order disposing of an application for amendment of pleadings does not, by that circumstance alone, acquire the status of an interim award. The determinative consideration is not the nature of the application, but the legal effect of its rejection.

105. The position may thus be summarised as first, not every order passed by an Arbitral Tribunal qualifies as an interim award; second, there exists no straight-jacket rule that an order rejecting an amendment application necessarily constitutes an interim award; and third, it is the element of finality in respect of a substantive issue, resulting in crystallisation of a right, that determines whether an order crosses the threshold into the domain of an interim award.

Governing Test for determining what constitutes an “Interim Award”

106. In light of the foregoing discussion and the judicial precedents noticed hereinabove, the governing test for determining whether an order qualifies as an “interim award” may now be articulated.

- (a) Whether the Order finally adjudicates a substantive dispute or claims between the parties;
- (b) Whether such adjudication attains finality and has a binding effect insofar as that issue is concerned; and
- (c) Whether, upon such determination, the Arbitral Tribunal becomes *functus officio* qua that issue and retains no further



adjudicatory discretion thereon.

107. Therefore, if an order answers to all the aforesaid three elements in affirmative, the order transcends the realm of a mere procedural order and assumes the character of an Interim Award within the meaning of Sections 2(1)(c) and 31(6) of the Act, and consequently becomes susceptible to scrutiny under Section 34, subject to its limited and circumscribed scope.

108. Tested on this anvil, this Court is of the considered view that the Impugned Orders do not satisfy the essential indicia of an interim award. It would be observed as under:

- (a). *First*, the rejection of the amendment applications does not decide any substantive dispute or independent claim between the parties, it merely preserves the pleadings in the form in which they already stood.
- (b). *Second*, the determination lacks finality in respect of any issue forming part of the arbitral reference, inasmuch as the Points of Determination framed by the learned Arbitral Tribunal expressly leave open the questions of entitlement, quantum, rate and period of compensation to be adjudicated on the basis of evidence.
- (c). *Third*, the Arbitral Tribunal has not rendered itself *functus officio* in respect of any such issue, nor has it exhausted its adjudicatory discretion thereon.”

11. Thus, in the said judgment this Court held, *inter alia*, that the governing test for determining whether an order qualifies as an “interim award” is that whether the order finally adjudicates a substantive dispute or claim between the parties; whether such adjudication attains finality and has a binding effect insofar as that issue is concerned; and whether, upon such determination, the Arbitral Tribunal becomes *functus officio* qua that issue and retains no further adjudicatory discretion thereon.

12. Applying the aforesaid tests to the Impugned Order dated 26.11.2024, this Court finds that the same does not satisfy the requirements for it to be construed as an interim Award. The rejection with respect to the said documents and the reasons given thereof do not form a determination on the merits of the claims of the Petitioner. Consequently, the Impugned Order dated 26.11.2024 does not



answer the governing tests laid down for an interim award.

13. Accordingly, in view of the test laid down and upon the perusal of the reasoning of the learned Arbitral Tribunal while rejecting the said documents, this Court is of the opinion that the Order as impugned herein does not really enter into the realm of the merits of any of the claims as raised by the Petitioner herein and adjudicate any substantive dispute or claim.

14. Resultantly, there arises no scope for this Court to interfere with the Order passed by the learned Arbitral Tribunal and to entertain the present Petition being filed under Section 34 of the Act.

15. Accordingly, the present petition, along with pending application(s), if any, stands dismissed.

HARISH VAIDYANATHAN SHANKAR, J
MARCH 13, 2026/nd/va