

The logo for JSA (Joint Services Association) features the lowercase letters 'j', 's', and 'a' in a white, sans-serif font. A thin red arc is positioned above the 'j' and 's'.

advocates & solicitors

The background of the cover is a blurred photograph of a courtroom or office. In the foreground, a black wooden gavel with a brass band is resting on a matching wooden sound block. Behind it, several large, thick books are visible, some with gold lettering on their spines. The lighting is soft and focused on the gavel.

**JSA Annual Arbitration Compendium  
January – December 2023**

## JSA Annual Arbitration Compendium - 2023

This Compendium consolidates all the case laws under the Arbitration and Conciliation Act, 1996 circulated as JSA Prisms during the calendar period from January 2023 till December 2023.

### Supreme Court clarifies that the time limit for passing an arbitral award under amended Section 29A of the Arbitration Act is inapplicable to international commercial arbitrations



The Supreme Court of India (“**Supreme Court**”) in its recent judgment in *Tata Sons Pvt. Ltd. v. Siva Industries and Holding Ltd and Ors.*<sup>1</sup> has *inter alia* held that the time limit of 12 (twelve) months as provided under the amended Section 29A (1) of the Arbitration Act for rendering an award does not apply to ‘international commercial arbitrations’.

By this judgment, the Supreme Court has restricted the applicability of the time limit under the amended Section 29A of the Arbitration Act to domestic arbitrations and excluded international commercial arbitrations from its purview. The implication of this judgment is that it restricts the intervention of the courts in international commercial arbitration in relation to any extension of timelines. Moreover, this judgment allows international arbitral institutions to follow their independent machinery to monitor the timelines to expeditiously conclude arbitral proceedings without any court intervention instead of being bound by the statutorily prescribed time limits.

<sup>1</sup> Miscellaneous Application No 2680 of 2019 in Arbitration Case (Civil) No 38 of 2017.

For a detailed analysis, please refer to the [JSA Prism of January 30, 2023](#).

### Use of the word ‘may’ in an arbitration clause does not amount to parties agreeing to mandatory arbitration clause under which the courts would exercise jurisdiction under the Arbitration Act

A single bench of the Bombay High Court (“**Bombay HC**”) in its recent judgment *GTL Infrastructure Ltd. v. Vodafone Idea Ltd. (VIL)*<sup>2</sup> *inter alia* held that an arbitration agreement which postulates a fresh consensus between the parties before referring the disputes to arbitration is not a mandatory/valid arbitration agreement. While deciding applications under Section 11(6) of the Arbitration and Conciliation Act, 1996 (“**Arbitration Act**”) for appointment of an arbitrator, the Bombay HC held that in arbitration agreements where the word ‘may’ has been used, there is no mandatory agreement to initiate arbitral proceedings.

This judgment reiterates the importance of an unambiguous and mandatory arbitration agreement between parties for reference to arbitration. The judgment emphasises the importance of clear drafting and sounds a word of caution for parties entering into arbitration agreements as well as the individual drafting such agreements to ensure that words like ‘may’ and qualifiers such as ‘if mutually agreed upon by the parties’ ought not to be used if parties are *ad idem* to adopt arbitration as the means of dispute resolution. Such qualifiers are most likely to be interpreted as the wilful intention of parties to not *simpliciter* agree to bind themselves to mandatory arbitration under the contract.

For a detailed analysis, please refer to the [JSA Prism of February 7, 2023](#).

### Arbitrator’s order rejecting an application for impleadment of a non-signatory party does not constitute an ‘interim award’

A Division Bench of the Delhi High Court (“**Delhi HC**”) in *Goyal MG Gases Pvt. Ltd. v. Panama Infrastructure*

<sup>2</sup> 2023 SCC OnLine Bom 39.

**Developers Pvt. Ltd.**<sup>3</sup> held that the arbitrator's order rejecting an application for impleadment of a non-signatory party in the arbitration proceedings does not constitute an 'interim award' under the Arbitration Act and can therefore not be challenged under Section 34 of the Arbitration Act (as an application for setting aside arbitral award).

As a result of this judgment, parties would have to wait till passing of a final award for challenging the arbitrator's rejection of an application for impleadment of third parties. This could result in considerable delay in finally deciding the dispute if, after passing of the final award, the court ultimately decides that the third-party ought to have been impleaded in the arbitration proceedings.

While in this case, it was not possible for Goyal Mg Gases Pvt. Ltd. ("**Appellant**") to implead the non-signatories at the time of initiation of the arbitration proceedings (since the Appellant was not aware of the subsequent sale), where possible it would be desirable to implead the non-signatories while initiating the arbitration itself. This is because an order allowing an application (filed under Section 16 of the Arbitration Act) for deletion of a non-signatory from arbitration (on the ground that the arbitrator does not have jurisdiction) can still be challenged under Section 37(2)(a) of the Arbitration Act before passing of the final award.

For a detailed analysis, please refer to the [JSA Prism of April 12, 2023](#).

### Bombay High Court upholds the validity of an arbitral award passed in a consolidated arbitral proceeding

The Bombay HC in **BST Textile Mills Private Limited v. Cotton Corporation of India Limited**<sup>4</sup> *inter alia* held that an arbitral award passed in a consolidated arbitral proceeding concerning disputes arising out of different contracts cannot be set aside under Section 34 of the Arbitration Act on grounds of being opposed to the fundamental policy of India. It was also held that an arbitral award passed in such consolidated arbitral proceedings cannot be set aside on grounds that the arbitrator lacked jurisdiction to consolidate disputes arising out of different contracts and / or for lack of

prior consent of the parties for such consolidation of disputes.

The present judgment of the Bombay HC may be referred to in the future to avoid multiplicity of proceedings where disputes arise out of identical contracts and identical arbitration agreements therein. However, while allowing consolidation of disputes in an arbitration proceeding, the present judgment does not delineate the criteria or grounds based on which disputes amenable to arbitration could be allowed to be consolidated and placed for adjudication before one single arbitral tribunal. In our view, limited court interference under Section 34 of the Arbitration Act in arbitration proceedings involving consolidation of disputes could have been ensured by way of this judgment if the Bombay HC had laid down the contours for allowing such consolidation of disputes.

For a detailed analysis, please refer to the [JSA Prism of April 24, 2023](#).

### An unstamped arbitration agreement exigible to stamp duty, is not enforceable: Supreme Court



In a recent decision, the Constitution Bench of the Supreme Court answered issues referred to it in the case of **M/s N.N. Global Mercantile Private Limited v. M/s Indo Unique Flame Ltd. & Ors.**<sup>5</sup> on the requirement of stamping of an arbitration agreement.

In a nutshell, the Supreme Court has held that:

1. An unstamped instrument cannot be a contract and is not enforceable.
2. If an unstamped instrument containing an arbitration clause is presented before the Court in

<sup>3</sup> 2023:DHC:2276-DB

<sup>4</sup> 2023 SCC OnLine Bom 318

<sup>5</sup> Civil Appeal Nos. 3802-3803 of 2020.

a petition under Section 11 of the Arbitration Act, the court is duly bound to impound the unstamped instrument.

3. It is only following impounding, payment of requisite stamp duty and provision of endorsement under Section 42 of the Indian Stamp Act, 1899 that a court can consider the Section 11 petition.
4. Till the time the unstamped instrument is stamped, the arbitration agreement contained therein will be non-existent in law.

By this decision, the Supreme Court has overruled the prior decision of the Division Bench in the same proceedings<sup>6</sup> and upheld the view taken in *SMS Tea Estates (P) Ltd. v. Chandmari Tea Co. (P) Ltd.*<sup>7</sup> and *Garware Wall Ropes Ltd. v. Coastal Marine Constructions & Engg. Ltd.*<sup>8</sup>.

The present judgment has finally put to rest the long-standing issue of enforceability of an unstamped agreement and the arbitration clause contained therein. However, this decision of the Supreme Court deviates from the pro-arbitration and minimum-judicial intervention approach by adding an additional layer of scrutiny by courts causing (even more) delay in the appointment of arbitrators. The Supreme Court missed the opportunity to lay down guidelines for courts so that the courts do not embark on a mini trial at the pre-reference stage on the sufficiency of stamping.

While this judgement is forward-looking and lays down a helpful benchmark for future arbitration agreements, this judgement is likely to have serious implications on ongoing arbitration proceedings in India where the preliminary issue of unenforceability on account of insufficient stamping is under consideration.

For a detailed analysis, please refer to the [JSA Prism of May 6, 2023](#).

### Defects in authorisations for signing pleadings in arbitration proceedings are curable.

A division bench of the Bombay HC has in *Palmview Investments Overseas Limited v. Ravi Arya & Ors.*<sup>9</sup>

<sup>6</sup> (2021) 4 SCC 379.

<sup>7</sup> (2011) 14 SCC 66.

<sup>8</sup> (2019) 9 SCC 209.

*inter alia* held that an infirmity with a board resolution authorising signatories to affirm and sign pleadings on behalf of a company in an arbitration proceeding is a curable defect.

While the issue of infirmities in authorisations provided to persons signing pleadings on behalf companies has been previously decided in the context of suits governed by the Code of Civil Procedure, 1908, this judgment now clarifies that the same position would apply even in arbitration proceedings. Further, such issues are procedural and curable and do not affect the substantive rights of parties.

For a detailed analysis, please refer to the [JSA Prism of May 15, 2023](#).

### Delhi High Court has held that third-party funding of legal proceedings is essential to ensure access to justice



In the recent judgment of *Tomorrow Sales Agency Private Limited v. SBS Holdings, Inc*<sup>10</sup>, Delhi HC has held that third party funders play a vital role in ensuring access to justice and, in the absence of third-party funding, a person having a valid claim would be unable to pursue the same for recovery of amounts that may be legitimately due.

This is one of the few judgments on the issue of third-party funding in India. A significant amount of litigation is not pursued due to the costs involved in legal proceedings. This judgment should encourage third party funders to comfortably fund legal proceedings as per the terms of the funding agreement without the concern of being imposed of unknown liabilities.

<sup>9</sup> Commercial Appeal (L) No. 36947 of 2022

<sup>10</sup> FAO(OS)(Comm) No. 59/2023 decided on May 29, 2023 by the Delhi HC.

For a detailed analysis, please refer to the [JSA Prism of June 8, 2023](#).

### The High Court of Delhi holds that contractual provision against payment of interest does not bar the arbitrator from granting interest



In a recent decision in *M/s Mahesh Construction v. Municipal Corporation of Delhi & Anr*,<sup>11</sup> the Delhi HC has held that a general provision in the contract prohibiting payment of interest on delayed payments does not bar an arbitrator from exercising his power to grant interest under Section 31(7) of the Arbitration Act. The arbitrator can also award interest for all the 3 (three) periods: pre-reference, pendente lite, and post-award. The Delhi HC clarified for such provision to apply to the arbitrator, the relevant contractual provision must explicitly mention the arbitrator.

This judgement raises concern regarding the efficacy of contractual provision against payment of interest on delayed payment.

Clause (a) of sub-section (7) of section 31 of the Arbitration Act starts with the phrase "Unless otherwise agreed by the parties".

It is therefore very clear that the arbitral tribunal's power to award interest is subject to the agreement between the parties. The arbitrator cannot exercise the power under Section 31(7) to award interest if the parties have imposed a bar against it in the contract. In effect, the judgement holds that even though the parties may have, by agreement, barred claim of interest against each other, such bar will not apply to arbitral tribunal unless parties have specifically barred the tribunal.

<sup>11</sup> FAO 212/2010

The judgement places undue emphasis on semantics and disregards the intention of the parties expressed in the contract. It, thus, arguably impinges on party autonomy in contracts and their ability to limit the powers of arbitrator, which is central to arbitration law.

Considering the judgment, we may add a note of caution for the drafters. If the parties intend to bar the arbitral tribunal from awarding interest, it will be prudent to specifically provide for such bar in the contract.

For a detailed analysis, please refer to the [JSA Prism of June 21, 2023](#).

### An award passed after inordinate, substantial, and unexplained delay is contrary to the public policy of India and amenable to challenge under the Arbitration Act

The Delhi HC in *Department of Transport, GNCTD v. Star Bus Services Private Limited*<sup>12</sup> has *inter alia* held that an award passed after inordinate, substantial, and unexplained delay is contrary to justice and therefore in conflict with the public policy of India. The Delhi HC has affirmed that such awards may be challenged under Section 34 of the Arbitration Act.

The findings of this judgment underline the importance of adhering to the timelines within which an arbitral award is required to be passed under the Arbitration Act. While the Arbitration Act provides for the reduction of an arbitrator's fee for delays attributable to the arbitrator, the same is yet to be strictly enforced by the courts. Effective and strict enforcement of Section 29-A of the Arbitration Act will be a step in right direction to make India an arbitration hub and provide a time bound mechanism for dispute resolution.

Further, it is also advisable for parties to be proactive in seeking an extension of the mandate of the arbitrator, whenever required, to avoid setting aside an award on account of lack of jurisdiction.

For a detailed analysis, please refer to the [JSA Prism of June 21, 2023](#).

<sup>12</sup> 2023 SCC OnLine Del 2890

## Delhi High Court holds that an arbitration clause in a contract perishes upon the novation of the contract

The Delhi HC has in *B.L. Kashyap and Sons Limited v. Mist Avenue Private Limited*<sup>13</sup> *inter alia* held that the arbitration clause in the original contract stands extinguished upon novation thereof.

The findings in this judgment are of importance for parties who choose to enter into subsequent agreements, including settlement agreements, that entirely novate the original contract. Given the finding in this judgment and by way of abundant caution, it would be advisable for parties entering into a subsequent agreement to ensure reinstatement of the arbitration agreement contained in the original contract.

For a detailed analysis, please refer to the [JSA Prism of June 22, 2023](#).

## In considering whether an award should be enforced or not, courts should not re-appreciate the evidence which was placed before the arbitral tribunal.

The Calcutta High Court (“Calcutta HC”), in *Jaldhi Overseas PTE Ltd. v. Steer Overseas Pvt. Ltd.*<sup>14</sup> has reiterated that while considering the issue of enforcement of a foreign award, the court must not (a) re-appreciate evidence; (b) substitute its own view with that of the arbitrator; or (c) review the matter afresh. Further, in a case where an arbitrator has rendered a finding (based on appreciation of the facts and evidence on record) that there existed an agreement and an arbitration clause, the court should not substitute its own view, unless it is manifestly evident that there existed no agreement.

The Calcutta HC has comprehensively summarised the fundamental principles governing the discretion of courts while deciding challenges to foreign arbitral awards. The principle of minimal intervention by courts is welcome and this encourages private parties to arbitrate disputes as there is a certain level of assurance that any award in their favour will not get stuck in prolonged litigation. At the same time, it is important that if there is an award which is manifestly

irrational, it must be interfered with and/or not enforced.

For a detailed analysis, please refer to the [JSA Prism of July 3, 2023](#).

## ‘Venue’ cannot be treated as the ‘Seat’ if there exists a ‘significant contrary indicia’ in the contract

The Calcutta HC, in *Homevista Décor & Furnishing Pvt. Ltd. & Anr. v. Connect Residuary Pvt. Ltd.*<sup>15</sup> has ruled that if a place is designated as a ‘venue’ in the contract and there is another clause which confers exclusive jurisdiction to courts of some other place, then the latter is a clear ‘*contrary indicia*’. In other words, in such a situation, venue cannot be regarded as the seat.

As aptly noted by the Calcutta HC in this decision, the law on ‘seat’ versus ‘venue’ is a conundrum that has and still confounds courts to this very day. There is no crystal-clear precedent/point of view that shifts away the clouds of uncertainty that mystify this issue.

This decision is a positive step and clears the confusion surrounding this issue, more so, in view of the conflicting verdicts given by different courts. This decision applies the concept of ‘*significant contrary indicia*’ (formulated in *BGS SGS Soma*) in a practical manner so as to give effect to the true intention of the parties. This decision also underscores the importance of ensuring that the dispute resolution clauses must capture and indicate the true intention of the contracting parties.

A poorly drafted arbitration clause may result in a ‘pathological’ dispute resolution clause, which is worse than no clause at all. It is therefore critical that the dispute resolution clause is clear and unambiguous, and this can be achieved only if discussions regarding dispute resolution mechanisms in the contract are given due importance. If this is not done, the outcome will be a ‘pathological’ clause, and the primary purpose of arbitration *viz.*, speedy resolution of disputes, will get defeated.

For a detailed analysis, please refer to the [JSA Prism of July 3, 2023](#).

## Bombay High Court holds that mere pendency of a Section 7 application

<sup>13</sup> O.M.P. (Comm) 190/2019

<sup>14</sup> EC 100 of 2022

<sup>15</sup> A.P. No. 358 of 2020

## under IBC does not bar appointment of an arbitrator under Section 11 of the Arbitration Act.



A single bench of the Bombay HC in *Sunflag Iron & Steel Co. Ltd. v. M/s Poonamchand & Sons*<sup>16</sup> has held that appointment of an arbitrator under Section 11(6) of the Arbitration Act cannot be prevented on account of initiation of proceedings under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“IBC”)<sup>17</sup>.

This judgment of the Bombay HC *inter alia* clarifies the position on appointment of an arbitrator and initiation of arbitration proceedings under Section 11(6) of the Arbitration Act, during the pendency of an application under Section 7 of the IBC. This judgment affirms and crystallises the findings of the Bombay HC in *Jasani Realty Pvt. Ltd. v. Vijay Corporation*<sup>18</sup>. Moreover, this judgment is also in consonance with the findings of the Delhi High Court in *Millennium Education Foundation v. Educomp Infrastructure and School Management Limited*<sup>19</sup> wherein the Delhi High Court *inter alia* held that the mere filing / pendency of Section 9 application before NCLT cannot be an embargo on the proceedings under the Arbitration Act.

For a detailed analysis, please refer to the [JSA Prism of July 5, 2023](#).

## Section 9 of the IBC cannot be invoked to execute an arbitral award during the pendency of an ‘appeal’ under Section 34 of the Arbitration Act

The National Company Law Appellate Tribunal at Chennai has in *M/s. KK Ropeways Limited v. M/s*

<sup>16</sup> Misc. Civil Application No. 374 of 2020.

<sup>17</sup> Section 7 of the IBC refers to the initiation of corporate insolvency resolution process by a financial creditor.

<sup>18</sup> 2022 SCC OnLine Bom 879.

*Billion Smiles Hospitality Private Limited*<sup>20</sup> *inter alia* held that an arbitral award cannot be enforced under Section 9 of the IBC when a challenge under Section 34 of the Arbitration Act has been preferred against such an award.

This judgment confirms that a challenge or an appeal in an arbitral award under the relevant provisions of the Arbitration Act would be construed as a ‘pre-existing dispute’ under the IBC. As such, an arbitration award which has been challenged under the relevant provisions of the Arbitration Act cannot be enforced as an ‘operational debt’ under the provisions of the IBC.

For a detailed analysis, please refer to the [JSA Prism of July 31, 2023](#).

## Constitution of an arbitral tribunal is not a fetter on the Court to hear an application under Section 9(1) of the Arbitration and Conciliation Act, 1996 if the Court has already ‘entertained’ such application prior to the constitution

The Calcutta HC, in *Jaya Industries v. Mother Dairy Calcutta & Anr.*<sup>21</sup>, has held that though Section 9(3) of the Arbitration Act bars a court from entertaining an application for interim measures under Section 9(1) of the Arbitration Act (on constitution of an arbitral tribunal), the court can still proceed to adjudicate the application if it has already applied its mind to the issues raised.

The decision examines the contours of Sections 9(1) and 9(3) of the Arbitration Act and eloquently articulates the situations when courts can entertain applications for interim relief, despite the bar imposed under Section 9(3).

By explaining the ambit and scope of ‘entertain’, this decision also highlights and clears the air that it is not in every matter that the court can continue hearing the application on the constitution of an arbitral tribunal. There must be an active engagement where the court has put its mind to the matter – meat included – before it.

This decision is also a classic example, where the Calcutta HC has reiterated the importance of minimum intervention by courts, and at the same time,

<sup>19</sup> Arb. Pet. 326 of 2022.

<sup>20</sup> Comp. App (AT) (CH) (INS.) No. 246/2021

<sup>21</sup> AP 85 of 2023.

emphasized that the same cannot be at the cost of the parties reagitating the issues (already argued by them before the court under Section 9(1)) before an arbitral tribunal.

For a detailed analysis, please refer to the [JSA Prism of August 18, 2023](#).

### Delhi High Court upholds contractors' rights: supplementary agreements Signed Under Pressure Not a Barrier to Claims for Damages

The Delhi HC in the case of *National Highways Authority of India v. M/s T.K. Toll Road Private Limited*<sup>22</sup>, has *inter alia* held that a supplementary agreement ("SA") executed between parties to an infrastructure project whereby the contractor has relinquished his claim to damages, does not prevent it from seeking damages against the employer, especially if the SA was executed as a pre-requisite to obtain a provisional completion certificate, which is crucial for toll collection in build, operate, transfer contracts.

In recent times, it has become increasingly common for supplementary agreements to be executed, often limiting contractors' abilities to pursue damages. Given the state-backed authorities' control over aspects such as time extensions and the imposition of liquidated damages, contractors frequently find themselves cornered into meeting these demands. This judgment correctly recognises the glaring power imbalance in such cases and takes a step towards restoring the legal and contractual rights of the contractors. It must be noted, however, that a plea of coercion and/or duress must be made out on the facts of each case

For a detailed analysis, please refer to the [JSA Prism of August 23, 2023](#).

### Delhi High Court delineates the procedure and modalities that can be followed while dealing with petitions under Section 11 of the Arbitration Act involving unstamped or insufficiently stamped arbitration agreement(s).

Recently, the Delhi HC, in *Splendor Landbase Ltd. vs. Aparna Ashram Society & Anr.*<sup>23</sup>, disposed of a batch of petitions under Section 11 of the Arbitration Act, where the arbitration agreement, or the

instrument/agreement containing the arbitration agreement, was unstamped or inadequately stamped.

The Delhi HC outlined the procedure and modalities that can be followed while dealing with petitions under Section 11 of the Arbitration Act, where appointment of an arbitrator was sought, involving unstamped or insufficiently stamped arbitration agreement(s). The Delhi HC, while doing so, considered the observations made by the Supreme Court in *N.N. Global Mercantile (P) Ltd. v. Indo Unique Flame Ltd*<sup>24</sup>.

The judgment offers a much-needed roadmap for navigating the legal procedures involved in cases where parties seek to rely on an unstamped or insufficiently stamped arbitration agreement in a petition under Section 11 of the Arbitration Act.

Recently, issues pertaining to stamp duty have acted as impediments in appointment of arbitrators, leading to inordinate delays in the initiation of the arbitration proceedings. Parties often opt for arbitration to avoid the delays usually faced in conventional litigation, and such issues can defeat this very purpose. By outlining a clear procedure for courts to follow in these instances, the judgment is likely to fulfil 2 (two) crucial objectives. First, it advances the overarching goal of the Arbitration Act by promoting a more efficient arbitration process. Second, it aligns with the parties' original intention in choosing arbitration as a dispute resolution mechanism, thus facilitating a more seamless path to resolution.

For a detailed analysis, please refer to the [JSA Prism of September 21, 2023](#).

### Arbitration clause in a purchase order prevails over a conflicting arbitration clause contained in an invoice

The Bombay HC has in *Parekh Plasticchem Distributors LLP vs. Simplex Infrastructure Limited*<sup>25</sup> considered 2 (two) conflicting arbitration clauses and held that an arbitration clause contained in a purchase order, which sets out the terms of engagement between the parties, prevails over an arbitration clause contained in an invoice raised by a party.

This judgment may be of significance in cases where parties have standard form purchase orders containing

<sup>22</sup> OMP (Comm) 24/2023

<sup>23</sup> Arb. P. 366/2021 decided on 22 August 2023

<sup>24</sup> (2023) 7 SCC 1

<sup>25</sup> Arbitration Application No. 250 of 2021



an arbitration clause and subsequent documents which contain a conflicting arbitration clause. In such cases, the court will look at the contents of the documents under reference and the intention of the parties to decide which arbitration clause prevails.

For a detailed analysis, please refer to the [JSA Prism of September 28, 2023](#).

### Supreme Court has indicated the evidence required for awarding claims for loss of profit and overheads



The Supreme Court, in 2 (two) judgments i.e., *M/s Unibros v. All India Radio*<sup>26</sup> and *Batliboi Environmental Engineers Limited v. Hindustan Petroleum Corporation Limited*<sup>27</sup>, has indicated the evidence required to be proved by a contractor for being entitled to a claim for loss of profit and overheads (due to delayed completion of a contract). The Supreme Court further held that in the absence of such evidence, the arbitral awards that grant claims for loss of profit or overheads (based merely on a formula), would be liable to be set aside under Section 34<sup>28</sup> of the Arbitration Act.

<sup>26</sup> 2023 INSC 931. Judgement dated October 19, 2023.

<sup>27</sup> 2023 INSC 850. Judgement dated September 21, 2023.

In the light of the Supreme Court judgments, contractors may now find it difficult to prove their claims for loss of profit and office overhead. In construction contracts, particularly executed through special purpose vehicles<sup>29</sup> etc., it is difficult to prove lost opportunities and the books of accounts may not provide an accurate estimate of the loss sustained due to delay. Given the directions passed by the Supreme Court in these 2 (two) judgments, instead of awarding claims on the basis of broad estimates, arbitral tribunals would now be very conscious about the supporting evidence for the claims for loss of profit and head office overhead.

For a detailed analysis, please refer to the [JSA Prism of November 21, 2023](#).









### 7 (seven) judge bench of the Supreme Court holds that unstamped or insufficiently stamped arbitration agreements are not rendered void or void ab initio

A 7 (seven) judge bench of the Hon'ble Supreme Court of India has observed in the case re: *Interplay Between Arbitration Agreements Under The Arbitration and Conciliation Act 1996 and The Indian Stamp Act 1899*, that non-stamping of the arbitration agreement does not make the agreement void or unenforceable but makes it inadmissible in evidence. However, the same is a curable defect as per the Indian Stamp Act, 1899.

For a detailed analysis, please refer to the [JSA Prism of December 28, 2023](#).

<sup>28</sup> Applications for setting aside arbitral awards are made under Section 34 of the Arbitration Act.

<sup>29</sup> Corporations incorporated to execute a single project.

		
<p>18 Practices and 25 Ranked Lawyers</p>	<p>13 Practices and 38 Ranked Lawyers</p>	<p>19 Practices and 19 Ranked Lawyers</p>
		
<p>12 Practices and 42 Ranked Partners <b>IFLR1000 APAC Rankings 2023</b></p> <p>-----</p> <p>Banking &amp; Finance Team of the Year</p> <p>-----</p> <p>Fintech Team of the Year</p> <p>-----</p> <p>Restructuring &amp; Insolvency Team of the Year</p>	<p>Among Top 7 Best Overall Law Firms in India and 9 Ranked Practices</p> <p>-----</p> <p>11 winning Deals in IBLJ Deals of the Year</p> <p>-----</p> <p>12 A List Lawyers in IBLJ Top 100 Lawyer List</p>	<p>Innovative Technologies Law Firm of the Year 2023</p> <p>-----</p> <p>Banking &amp; Financial Services Law Firm of the Year 2022</p> <p>-----</p> <p>Dispute Resolution Law Firm of the Year 2022</p> <p>-----</p> <p>Equity Market Deal of the Year (Premium) 2022</p> <p>-----</p> <p>Energy Law Firm of the Year 2021</p> <p>-----</p> <p>Employer of Choice 2021</p>
		
<p>7 Practices and 2 Ranked Lawyers</p>	<p><b>Ranked #1</b> <b>The Vahura Best Law Firms to Work Report, 2022</b></p> <p>-----</p> <p>Top 10 Best Law Firms for Women in 2022</p>	

For more details, please contact [km@jsalaw.com](mailto:km@jsalaw.com)

[www.jsalaw.com](http://www.jsalaw.com)



Ahmedabad | Bengaluru | Chennai | Gurugram | Hyderabad | Mumbai | New Delhi



This compendium is not an advertisement or any form of solicitation and should not be construed as such. This compendium has been prepared for general information purposes only. Nothing in this compendium constitutes professional advice or a legal opinion. You should obtain appropriate professional advice before making any business, legal or other decisions. This compendium is a consolidation of only the relevant notifications/judgements circulated in the newsletters or as prisms. Please read the original documents of the notifications/ judgments. Please note that this compendium is not exhaustive. JSA and the authors mentioned in the compendium disclaim all and any liability to any person who takes any decision based on this publication.