

MANU/DE/2921/2018

Equivalent Citation: 2018(5)ARBLR51(Delhi), 253(2018)DLT122

IN THE HIGH COURT OF DELHI

Arb. P. 437/2018, IA No. 7725/2018, O.M.P. (T) (COMM.) 45/2018 and IA No. 7727/2018

Decided On: 14.08.2018

Appellants: **Worlds Window Infrastructure & Logistics Pvt. Ltd.**
Vs.

Respondent: **Central Warehousing Corporation**

Hon'ble Judges/Coram:

Navin Chawla, J.

Counsel:

For Appellant/Petitioner/Plaintiff: Amit Sibal, Sr. Adv., Prashant Mehta, Ashutosh Shukla, Gaurav Malik, Neeharika Aggarwal and Dhritiman Roy, Advs.

For Respondents/Defendant: Sandeep Sethi, ASG, Shaiwal Srivastava and Aayeshi Agarwal, Advs.

Case Note:

Arbitration - Mandate of arbitrator - Termination of - Section 11(6) of Arbitration and Conciliation Act, 1996 - Petition filed under Section 11(6) of Act for appointment of arbitrator - Whether Petitioner made out case for appointment of arbitrator - Held, names of arbitrator had been suggested by Ministry against whom there was no allegation of bias or complaint - Complaint against arbitrator was only because she was appointed at first instance and same complaint would have been made by Petitioner in case any of other three proposed arbitrators had been appointed for whom Petitioner submits that it has no objection to their appointment - Mandate of arbitrator could not be terminated in peculiar facts of case, only because she has failed to give her disclosure statement in form prescribed in Act - Grounds have to be taken before arbitrator herself and could not be made a ground for termination of her mandate in proceedings - Petition dismissed. [15]

JUDGMENT

Navin Chawla, J.

1. This is a classic case of how a party can delay the arbitration proceedings on one pretext or another by filing repeated petitions thereby defeating the very purpose of an Arbitration Agreement.

2. The petitioner has filed Arbitration Petition No. 437/2018 under Section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as the 'Act') making the following prayers:-

"i. Appoint a sole arbitrator as per the provisions of Arbitration and Conciliation Act, 1996 pursuant to Clause 21 of the Agreement dated 26.04.2004 entered into between the parties;

ii. Direct that the dispute as to whether or not the Award dated 20.11.2014 as passed by the Chairman is an Arbitration Award or settles all disputes or waives the right to arbitrate, be decided as the preliminary issue.

iii. Stay the purported arbitral proceedings fixed by the purported arbitrator Ms. Sheila Sangwan fixed for 31.5.2018 during the pendency of the present petition; "

3. The petitioner simultaneously filed OMP (T) (COMM.) 45/2018 under Section 14 read with Section 12 of the Act making the following prayers:

"(a) Declare that the mandate of the purported Arbitrator Ms. Sheila Sangwan stands terminated; or

(b) Terminate the mandate of the purported Arbitrator Ms. Sheila Sangwan;

(c) Stay the purported arbitral proceedings fixed by the purported arbitrator Ms. Sheila Sangwan fixed for 31.5.2018 during the pendency of the present petition; "

4 . The disputes between the parties are in relation to the Agreement dated 16.02.2005 executed between them whereby the petitioner was appointed by the respondent as a Strategic Alliance Management Operator (SAMO) for equipping, marketing, operation and maintenance of its Inland Container Depot at Loni, Ghaziabad. The said Agreement contains an Arbitration Agreement in form of Clauses 20 and 21 thereof, which are reproduced hereinbelow:-

"20.0. A Joint Committee with equal number of representatives (those not directly involved in the day to day business operations of either party at the Facility) from CWC and the World's Window shall be constituted for the administration of the Management Contract. Any disputes arising out of the implementation of the contract this shall be looked into by this committee for resolution.

The Joint Committee comprising three authorized representatives including Regional manager of Central Warehousing Corporation and equal number of authorized representatives of the World's Window concerned shall be authorised, after going into all pros and cons without jeopardising the financial interest of CWC, as contained in the agreement, to amend the terms and conditions for smooth and hassle free operation so long as the overall structure of the contract does not change.

21.0 It is understood by both the parties that any dispute arising out of this Contract, not resolved by the Joint Committee, shall be referred to an Advisory Committee to be jointly appointed by the parties.

In case the parties fail to arrive at any satisfactory resolution, the dispute arising out of any matter relating to this contract shall be governed by the Arbitration and Conciliation Act, 1996. It is also a term of this contract that no person other than a person appointed by MD, Central Warehousing Corporation, New Delhi should act as an arbitrator."

5. Disputes having arisen between the parties, the respondent vide its letter and order dated 04.01.2016 appointed Mrs. Sheila Sangwan, Ex-Member, CBEC as an Arbitrator to adjudicate the said disputes.

6. The petitioner, claiming that the disputes had already been adjudicated and an

Award dated 20.11.2014 had been passed by the Chairman of the respondent adjudicating such disputes and therefore, another arbitration proceeding was not maintainable, filed a Civil Suit being CS No. 120/2016 before the Court of Civil Judge (Senior Division), Ghaziabad making the following prayers:-

"a. Pass a decree of permanent injunction till the currency of agreement in favour of the Plaintiff and against the Defendant restraining the Defendant from acting upon the letters dated 24.11.2015, 3.02.2016 or any such similar letter or action of the Defendant;

b. Pass a decree of permanent injunction in favour of Plaintiff and against Defendant thereby restraining the Defendant from taking any coercive steps qua the agreement dated 16.02.2005, till the currency of the said Agreement including initiation of any proceedings against the plaintiff company;

c. Pass a decree of permanent injunction in favour of the Plaintiff company and against the Defendant thereby restraining the Defendant from raising any fresh demand contrary to the terms of the Contract from the Plaintiff company;

d. Pass a decree of permanent injunction in favour of the plaintiff company and against the defendant thereby restraining the Defendant from interfering with the smooth functioning of the business by the Plaintiff company at the facility i.e. ICD, Loni, including but not limited to the interference by the defendant through any other agency and/or departments. "

7. In the said suit, the respondent entered appearance on 18.02.2016 and undertook not to take any coercive steps against the petitioner. The respondent thereafter, filed an application under Section 8 of the Act seeking reference of the disputes to arbitration. The respondent also filed an application under Order 39 Rule 4 of the Code of Civil Procedure, 1908 seeking vacation of the interim order passed by the Court. Both the said applications were dismissed by the Civil Judge (Senior Division), Ghaziabad vide two separate orders dated 15.03.2016.

8. The respondent being aggrieved by the above orders filed two appeals being Appeal Nos. 135/2016 and 136/2016 before the Court of District Judge, Ghaziabad. The said appeals were allowed by the District Judge, Ghaziabad vide his order dated 24.02.2018.

9. It was now the turn of the petitioner to challenge the order passed by the District Judge, Ghaziabad before the High Court of Allahabad by way of petition Nos. 2580/2018 and 3108/2018. The same were, however, dismissed by the High Court of Allahabad vide order dated 31.05.2018, thereby lifting all embargo on continuation of the arbitration proceedings.

10. It seems that in anticipation of the abovementioned order of the High Court of Allahabad, the present petitions were filed before this Court on 29.05.2018 to put further spoke in continuation of the arbitration proceedings.

11. Arbitration Petition 437/2018 is premised on the basis that as in Clause 21 of the Agreement, which is the Arbitration Agreement between the parties, the Arbitrator is to be appointed by the Managing Director of the respondent, after the coming into force of the Arbitration and Conciliation (Amendment) Act, 2015 (hereinafter referred to as the 'Amendment Act') and in view of Section 12(5) of the Act, the appointment of the Arbitrator by the Managing Director is null and void. It is further submitted that, in any case, as the petitioner had made complaints against the Managing

Director of the respondent to the Ministry of Consumer Affairs, Food and Public Distribution, the Managing Director of the respondent cannot be allowed to appoint an Arbitrator as this would be against the principle of natural justice that no person can be a judge in his own cause or appoint a judge in his own cause.

12. Learned senior counsel for the petitioner, in support of the above arguments has placed reliance on the Judgment of the Supreme Court in TRF Limited v. Energo Engineering Projects Limited, MANU/SC/0755/2017 : (2017) 8 SCC 377, to contend that the Supreme Court has already held that as the Managing Director of a party to the arbitration proceedings is ineligible as being appointed as an Arbitrator, equally he cannot nominate another Arbitrator in his own place. It is further contended that in Voestalpine Schienen GMBH v. Delhi Metro Rail Corporation Limited, MANU/SC/0162/2017 : (2017) 4 SCC 665, the Supreme Court had directed the Delhi Metro Rail Corporation Limited, the respondent therein, to reframe its panel of arbitrators and has held that the Arbitration Agreement therein be deleted and choice be given to the parties to nominate any person from the entire panel of arbitrators to be formed by the respondent therein. It is contended that the Supreme Court had recognized that the duty to create healthy arbitration environment becomes more onerous in the Government contracts, where one of the parties to the dispute is the Government or public sector undertaking and the authority to appoint the arbitrator rests with it.

13. I have considered the submissions made by the learned senior counsel for the petitioner, however, do not find any merit in the same. This Court in Bhayana Builders Pvt. Ltd. v. Oriental Structural Engineers Pvt. Ltd. and Anr., MANU/DE/0942/2018 : (2018) 249 DLT 619, has already considered the effect of the amendment to the Act made by the Amendment Act and held that the amendment to the Act does not in any way take away the power vested in one of the parties to the Arbitration Agreement to appoint an Arbitrator, though in such agreements the burden of ensuring that the person so appointed shall not fall foul of any of the provisions of the Fifth or the Seventh Schedule of the Act will be even higher and open to a greater scrutiny. Though the learned senior counsel for the petitioner submits that the said Judgment has been challenged before the Supreme Court, he fairly admits that the operation of the Judgment has not been stayed in those proceedings. In view thereof and being bound by the said Judgment, I do not find any merit in the submission made by the learned senior counsel for the petitioner.

14. As far as the complaints made by the petitioner against the Managing Director of the respondent and for this reason the Managing Director of the respondent becoming ineligible to appoint an Arbitrator, I may only note that the learned ASG appearing for the respondent has brought to my attention that the Ministry of Consumer Affairs, Food and Public Distribution vide its letter dated 31.12.2015, taking note of the complaints made by the petitioner against the Managing Director and the Director (Finance) of the respondent, had communicated to the respondent its decision that such disputes need to be resolved in a fair and transparent manner through an Arbitrator and had suggested names of four eminent persons from whom an Arbitrator should be appointed by the respondent. Mrs. Sheila Sangwan was one of the four names suggested by the Ministry.

15. In view of the above, the submission of the learned senior counsel for the petitioner cannot be accepted. The names of the Arbitrator had been suggested by the Ministry against whom there is no allegation of bias or complaint. I may further note that the learned senior counsel for the petitioner, during the course of the arguments kept insisting that the petitioner would have no objection if one of the other three proposed arbitrators is appointed as an arbitrator. This itself shows that the

complaint against Mrs. Sheila Sangwan is only because she was appointed at the first instance and the same complaint would have been made by the petitioner in case any of the other three proposed Arbitrators had been appointed, for whom the petitioner now submits that it has no objection to their appointment.

16. Now coming to the other petition being OMP (T) (COMM.) 45/2018, the same is premised on the following submissions:

I. Mrs. Sheila Sangwan was posted as Assistant Collector of Customs Delhi and was posted at the facility (Import Air Cargo Complex) of the respondent between the years 1982-86. Thereafter, in her capacity as Commissioner and Joint Secretary between the period 2001 to 2007 and as Member, Central Board of Excise and Customs (CBEC) between the years 2011 to 2013, she had a close business relationship with the respondent making her ineligible to be appointed as an Arbitrator. It is further submitted that, while the Arbitrator was posted at the facility of the respondent, her salary was being paid by the respondent under cost recovery mechanism and there is a relationship of licensor and licensee between the erstwhile employer of the Arbitrator, that is, the Customs Department and the respondent, thereby making her ineligible from being appointed as an Arbitrator. In support of the submission, the learned senior counsel for the petitioner invokes Entry 1 and Entry 12 of the Seventh Schedule to the Act. Placing reliance on the Judgment of the Supreme Court in HRD Corporation(Marcus Oil and Chemical Division) v. Gail (India) Limited, MANU/SC/1066/2017 : (2018) 12 SCC 471, the learned senior counsel for the petitioner submits that the entries in the Fifth and Seventh Schedule are to be interpreted taking a broad commonsensical approach to the items stated therein.

I have considered the submission made by the learned senior counsel for the petitioner and find it to be totally without merit. The Arbitrator is not an employee, consultant or advisor of the respondent. The past relationship alleged by the petitioner is not only too remote (being divorced by a period of 32 years) but also most fanciful. Even by adopting a most fanciful "commonsensical approach", the relationship urged by the petitioner between the respondent and the Arbitrator can by no stretch fall within the ambit of Entry 1 or Entry 12 of the Seventh Schedule, which are reproduced hereinbelow:-

"THE SEVENTH SCHEDULE

Arbitrator's relationship with the parties or counsel

1. The arbitrator is an employee, consultant, advisor or has any other past or present business relationship with a party.

xxxxxx

12. The arbitrator is a manager, director or part of the management, or has a similar controlling influence in one of the parties."

It is to be noted that in the petition the petitioner had made no reference to the Seventh Schedule of the Act. During the course of the preliminary hearing it was pointed out to the learned senior counsel for the petitioner that the present petition would not be maintainable as in HRD (Supra), the Supreme Court had clarified that where the challenge to an Arbitrator is on the grounds stated in the Fifth Schedule, the same are to be raised before the

Arbitrator in accordance with Section 13 of the Act and if the challenge is not successful and the Arbitral Tribunal decides that there are no justifiable doubts to the independence or impartiality of the Arbitrator, the Arbitral Tribunal must then continue the arbitral proceedings under Section 13(4) of the Act and make an Award and the party making a challenge to the Arbitrator's appointment may make an application for setting aside such Arbitral Award in accordance with Section 34 of the Act, including, on the grounds of purported lack of independence or impartiality of the Arbitrator. Taking a cue from the observations of this Court, the petitioner, in its Rejoinder, invoked the Seventh Schedule of the Act with promptitude, however, in my opinion, the same is not at all attracted to the facts of the present case.

II. Learned senior counsel for the petitioner further submitted that the Arbitrator had been appointed as a Director of M/s. Dredging Corporation of India in 2016. Another Director in the said M/s. Dredging Corporation of India has been appointed as Director (Finance) of the respondent in 2018. He submits that the Arbitrator and the said Director (Finance) would, therefore, have close relationship, making the Arbitrator ineligible to continue as an Arbitrator.

I again do not find any merit in the submission of the learned senior counsel for the petitioner. Merely because an erstwhile Co-Director in another company takes up employment with the respondent as its Director (Finance) later, much after the appointment as an Arbitrator, it cannot make the Arbitrator ineligible under the Seventh Schedule of the Act.

III. Learned senior counsel for the petitioner further submitted that in the present case the Arbitrator has failed to give her disclosure statement of the above facts and even otherwise, in the form specified in the Sixth Schedule to the Act. He submits that the Arbitrator should have disclosed the above facts in her disclosure statement as it was not for the Arbitrator to decide whether these facts give rise to justifiable doubts as to her independence and impartiality. He submits that at the stage of disclosure, circumstances which are "likely to give rise to justifiable doubts" as to the independence or impartiality of the Arbitrator have to be disclosed by the Arbitrator. He submits that in any case, even after a request being made by the petitioner, the Arbitrator did not submit a disclosure statement in form specified in the Sixth Schedule of the Act. Relying upon the commentary titled O.P. Malhotra on "The Law and Practice of Arbitration and Conciliation", Third Edition, he submitted that the failure to disclose may itself give rise to justifiable doubts as to the independence and impartiality of the Arbitrator. He further places reliance on Murlidhar Roongta and Others v. S. Jagannath Tibrewala and Others, MANU/MH/0764/2004 : 2005 (2) Mah LJ 285; Yashwith Constructions (P) Ltd. v. Simplex Concrete Piles India Ltd., MANU/AP/0142/2008 : 2008 Supp (1) Arb LR 100; Judgment dated 19.10.2016 passed by this Court in ARB.P. 635/2016 Dream Valley Farms Private Limited & Anr. v. Religare Finvest Limited & Ors. and Alcove Industries Ltd. v. Oriental Structural Engineers Ltd., MANU/DE/9056/2007 : ILR (2008) 1 Del 1113 to contend that where the Arbitrator refuses to give a disclosure in terms of the Sixth Schedule and/or such disclosure is found to be false, the Courts, in exercise of their power under Section 14 and even under Section 11 of the Act have terminated the mandate of such Arbitrators and appointed substitute Arbitrators in their place.

I have considered the submission made by the learned senior counsel for the petitioner. While there is no doubt on the legal proposition being addressed by him, the same would not come to the aid of the petitioner in the peculiar facts of the present case.

It is not disputed that the Arbitrator has not given the disclosure in the form prescribed in the Sixth Schedule, however, has given the disclosure in her order dated 04.02.2016 in the following words:-

"After hearing the parties at length, I am of the considered view that Section 12 of the ibid act, as interrelated by the respondent's counsel is not agreed to. It is only in the event of there being any circumstances likely to give rise to justifiable doubts and impartiality of the Arbitrator that his/her disclosure has to be made. In the instant case, there are no circumstances likely to give rise to justifiable doubts to necessitate a ground for challenging my appointment."

The Arbitrator again vide email dated 13.04.2018, while responding to the emails addressed by the counsels for the respondent and petitioner, stated as under:-

"I have gone through your email of 7/4/18 and 10/4/18 respectively.

Prashant has raised the point of disclosure from the arbitrator in his mail. I would like to invite his attention to the proceedings of 4/2/16 which adequately address this issue. Prashant has received a copy of these proceedings. In the event that he still needs another copy, the same can also be provided."

The Arbitrator on being pursued again vide email dated 23.04.2018, stated as under:-

"On the subject of disclosure, all I have to state is that even today, I stand by with what I had stated on 4/2/16. Since Prashant is raising this issue repeatedly, I am once again repeating that no circumstances exist, direct or indirect of any past or present relationship with or interest in any of the parties or in relation to the subject matter in dispute, whether financial, business, professional or other kind, which is likely to give rise to justifiable doubts as to my independence or impartiality. Further I have the ability to devote sufficient time to this arbitration and to complete it in the stipulated time."

On still being approached, Arbitrator vide her email dated 20.05.2018 reiterated as under:-

"Respondents counsel has asked for a disclosure in Schedule 6 and does not appear to take cognizance of my disclosure. I reiterate my earlier disclosure and I have nothing further to disclose as no circumstances exist which give rise to justifiable doubts as to my independence or impartiality as an arbitrator. Therefore I have nothing to disclose in Schedule 6."

A reading of the above would show that though the exact form prescribed in Sixth Schedule was not submitted by the Arbitrator, she had made a

statement recording the disclosure required in the same, apart from probably the prior experience and the number of ongoing arbitrations.

In *Manish Anand & Ors. v. Fiitjee Ltd.*, MANU/DE/0939/2018, this Court had held that though the disclosure is not in terms of the Sixth Schedule of the Act, if it discloses the most vital aspect of the same, the mandate of the Arbitrator cannot be terminated.

In the present case the petitioner had made detailed arguments on the reasons on the basis of which it is being alleged that there is likelihood of justifiable doubts as to the independence and impartiality of the Arbitrator. I have already considered the same and found no merit in them, even to the extent of warranting a disclosure of the same from the Arbitrator. In that view, the mandate of the Arbitrator cannot be terminated in the peculiar facts of the present case, only because she has failed to give her disclosure statement in the form prescribed in the Sixth Schedule to the Act. It is, however, directed that the Arbitrator shall submit to the parties her disclosure statement in the form prescribed in the Sixth Schedule of the Act, before proceeding further with the reference.

IV. The learned senior counsel for the petitioner submits that as the Arbitrator had refused to adjourn the arbitration proceedings in spite of the respondent giving undertaking that it would not take any coercive steps against the petitioner, as recorded in the order dated 18.02.2016 passed by the Civil Judge (Senior Division), Ghaziabad, the petitioner had filed an application seeking initiation of contempt proceedings against the respondent and also against the Arbitrator. On such application, the Civil Judge (Senior Division), Ghaziabad vide his order dated 27.04.2018 found the Arbitrator to have proceeded with the arbitration proceeding on 22.02.2016 in violation of the Court order, however, on the ground that with such proceedings no harm or legal injury was caused to the petitioner, decided not to proceed any further against the Arbitrator. Learned senior counsel for the petitioner submits that as the Arbitrator, on an application filed by the petitioner, has been found guilty of having committed contempt of Court, this itself gives rise to a justifiable doubt as to her impartiality and independence and therefore, she should be removed as an Arbitrator. He further submits that the respondent has filed an appeal challenging the above order seeking a relief even for the Arbitrator.

I have considered the above submission, however, in the peculiar facts of the present case I do not find any merit in the same. The respondent, while entering appearance in the Civil Suit filed by the petitioner, had given an undertaking that it would not take any coercive action against the petitioner, terminate the agreement or interfere with the smooth functioning of the petitioner at the facility.

On 22.02.2016, the Arbitrator passed the following order on the request of the petitioner to adjourn the arbitration proceeding:-

"It is seen from the e-mail sent that the respondents has failed to provide any documents/certified true copies of the averred to Court order dated 18th February, 2016. On being asked, Shri Srivastava admits that an undertaking to the effect that no coercive action shall be taken by CWC from 18th February, 2016 until 24th February, 2016 as against the respondent was given before the Senior Civil

Judge, Ghaziabad.

In my view, any interpretation that arbitral proceedings are 'coercive action' appears to be ill conceived by the respondent. Reading of the e-mail makes it clear that no mention of the arbitration already initiated by the Claimant has been made by the Respondent before the Senior Civil Judge, Ghaziabad.

Attention is invited to section 8(3) of the Arbitration and Conciliation Act, 1996. This provision provides that even if an application has been made under sub-section 1 and the issue is pending before the judicial authority, an arbitration may be commenced or continued and an arbitral award be made.

In view of the above, there is no reason for the present arbitral proceedings to be indefinitely adjourned. Therefore, the arbitral proceedings shall continue.

Accordingly, the respondent is directed to file its statement of Defence on or before 4th March, 2016. It may kindly be noted that adequate time has been given to the respondent to file its Statement of Defence and they are directed to kindly adhere to the time-lines. "

Whether the above order is legally sound or not, is not a question before this Court. However, the same does not in any manner reflect that the Arbitrator was proceeding with a bias against the petitioner. In *Bhupender Lal Ghai v. Crown Buildtech Private Limited D+, MANU/DE/2761/2011*, this Court has held as under:-

"34. I may at this stage itself note that, in any event, the circumstance of dismissal of the Respondent's application for recall of the witness could not have, by itself, given rise to justifiable doubts as to the learned Arbitrator's independence or impartiality. A party may feel aggrieved by an order or award passed by an Arbitrator. An Arbitrator may, in fact, have erred in passing an order. But that, by itself, cannot be considered to be a circumstance which would give rise to justifiable doubts regarding the independence or impartiality of the Arbitrator. A bona fide judgmental error either by a court or an Arbitrator even if committed, cannot, in normal circumstances, be construed as a circumstance giving rise to justifiable doubt about the independence or impartiality of the court or the Arbitrator. There has to be something more than that. Something more specific."

As far as the filing of the contempt petition and order dated 27.04.2018 passed thereon is concerned, I may only note that even the Civil Judge has held that there is no sufficient ground to hold the Arbitrator guilty of wilful disobedience or breach of order dated 18.02.2016 and has accordingly dismissed the application filed by the petitioner.

To accept the prayer of the petitioner on the basis of the contempt petition filed by it, would be to succumb to the petitioner's browbeating and intimidation of the Arbitrator, who in the opinion of the petitioner, may be inconvenient.

In *Ladli Construction Company Private Limited v. Punjab Police Housing*

Corporation Limited and Others, MANU/SC/0183/2012 : (2012) 4 SCC 609, the Supreme Court has held that where the party itself impleads the arbitrator in his personal capacity, it cannot plead bias if the arbitrator defends such action. In Subrata Roy Sahara vs. Union of India & Ors., MANU/SC/0406/2014 : (2014) 8 SCC 470, the Supreme Court has affirmed order of this Court in Court on its Own Motion v. State, MANU/DE/2758/2007 which held that the path of recusal is very often a convenient and a soft option. The Court further noted its observations in R.K. Anand v. Delhi High Court, MANU/SC/1310/2009 : (2009) 8 SCC 106, to the effect that a request for recusal should not be allowed where the same is made with the intent to intimidate or to get better of an 'inconvenient judge' or to obfuscate the issue or to cause obstruction and delay the proceedings.

If arbitration is to succeed, even Arbitrators need to be protected against such acts of browbeating. To accept the plea of the petitioner, in my opinion, would amount to the same and is, therefore, rejected.

V. Learned senior counsel for the petitioner has lastly contended that as the Arbitrator had conducted a proceeding in the office of the respondent and was aware of the nature of the disputes even on the first hearing of the arbitration, there is a doubt to her impartiality and independence. Learned senior counsel for the petitioner further submitted that even during the course of the present proceeding, from certain emails exchanged between the Arbitrator and the parties with regard to the adjournment of the arbitration proceedings, it is apparent that the Arbitrator is taking instructions from the respondent thereby making her ineligible to continue as an Arbitrator.

In my opinion, the above grounds have to be taken before the Arbitrator herself and cannot be made a ground for termination of her mandate in these proceedings. It is to be noted that though the termination is being sought on the basis of what happened in the first hearing of the arbitration proceeding held on 04.02.2016, the said ground was not raised by the petitioner when the Court was considering a petition filed by the respondent under Section 29A of the Act seeking extension of time for making of the Arbitral Award being OMP (COMM.) 477/2016.

17. In view of the above, I find no merit in the present petition(s). The same are dismissed with costs quantified at Rs. 25,000/- (Rupees Twenty Five Thousand Only) for each petition.

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