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Ishaan Patkar

Recently in State of Chhattisgarh v Sal Udyog [Judgment dated 8.11.2021 in Civil Appeal No.4353 of 2010], the Hon'ble Supreme Court was confronted with the question whether a completely new ground of appeal can be taken in an appeal under Section 37 of the Arbitration and Conciliation Act, 1996. This issue arose because the arbitration law in general favours speedy finality of proceedings. Section 34 of the Act allows either the District Court/High Court which allows Judicial intervention against arbitral awards allows very few grounds for setting aside an award. Section 37 of the Act is an appeal provision and the dominant view was that the Court should not allow new grounds to be pleaded in appeal, given the restrictive nature of judicial review at Section 34 stage. Sal Udyog ("Respondent") had entered into an agreement for purchase of Sal seeds from the State of Madhya Pradesh. The agreement was however terminated by the State of Madhya Pradesh pursuant ......