

Procedural decisions of the arbitral tribunal fall within its power under Section 19 of the Arbitration Act to regulate its own procedure, and such decisions do not amount to violation of party autonomy, natural justice, or public policy unless grave prejudice or patent illegality is shown

The **Delhi High Court** in the case of **OSA Vendita vs Bausch and Lomb India [O.M.P. (COMM) 336/2022]** dated **April 23, 2026**, has held that it will not interfere with a reasoned arbitral award merely because a party was denied permission to lead belated evidence, where the tribunal had granted sufficient opportunities earlier and the rejection was based on delay and lack of due justification. Procedural decisions of the arbitral tribunal fall within its power under Section 19 to regulate its own procedure, and such decisions do not amount to violation of party autonomy, natural justice, or public policy unless grave prejudice or patent illegality is shown.

The Court explained that findings of fact by the arbitral tribunal on absence of contractual assurance, absence of breach, and failure to prove loss through reliable evidence are not amenable to re-appreciation in Section 34 proceedings, and where the tribunal's view is plausible and consistent with the contract, including clauses excluding any obligation to take back goods, the award must be sustained.

The Court observed that the arbitral tribunal had granted sufficient opportunities to the petitioner to file affidavits and supporting documents, and that the application to introduce CA certificates was filed only after closure of the petitioner's evidence and after the respondent had filed its evidence. The arbitrator's rejection of that application on the ground of inordinate delay and absence of cogent justification was held to be a plausible and reasonable view based on the procedural history of the case.

The Court further observed that an arbitral tribunal is empowered to regulate its own procedure and that procedural orders do not warrant interference under Section 34 unless they contravene public policy or result in grave injustice. It rejected the petitioner's argument that no prejudice would have been caused to the respondent, holding that appreciation of evidence, including the absence of corroborative books of account and relevant witnesses, lies within the exclusive domain of the tribunal and cannot be recast as a violation of natural justice.

On the issue of party autonomy and procedure, the Court held that Section 19 of the Arbitration Act clearly permits the arbitral tribunal, in the absence of an agreed procedure, to determine its own procedure and that ad hoc arbitration is not treated differently from institutional arbitration under the Act. The Court also noted that the procedural framework and timelines had been settled at the inception of the proceedings with the consent of both parties, and the petitioner had not objected to the procedure during the arbitral proceedings.