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

+ O.M.P.(I) (COMM.) 447/2025

M/S RAMACIVIL INDIA CONSTRUCTION PVT LTD  
THROUGH ITS AUTHORIZED REPRESENTATIVE  
DIRECTOR SH R N GUPTA .....Petitioner

Through: Mr. Avinash Trivedi and  
Mr. Rahul Aggarwal,  
Advocates.

versus

CENTRAL PUBLIC WORKS DEPARTMENT  
THROUGH ITS ADDL DIRECTOR GENERAL

.....Respondent

Through: Mr. Vikram Jetly, CGSC  
with Ms. Shreya Jetly,  
Advocate and Ms.  
Laavanya Kaushik (GP)  
for R1.  
Mr. Praveen Kumar Jain,  
Ms. Rashmi Kumari, Ms.  
Anamika Aggarwal, Mr.  
Yash Chauhan, Mr. Aditya  
Rathi, Mr. Abhinav  
Raghav and Ms . Anchal  
Yadav, Advocates for  
proposed R2 along with  
Mr. Kesavan Baskkaran,  
CAO, IIM Jammu.

**CORAM:**  
**JOINT REGISTRAR (JUDICIAL) SH. DEEPAK  
DABAS (DHJS)**

**ORDER**  
**23.01.2026**

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**IA No. 30390/2025 filed by applicant/Indian Institute of  
Management Jammu u/O I Rule 10 r/w Section 151  
CPC for impleadment as respondent no. 2.**

1. Matter is today fixed for orders on captioned IA.



2. Arguments on captioned IA were heard.
3. I have perused the record carefully.
4. Sh. Sandeep Sharma, learned Senior Advocate and Mr. Praveen Kumar Jain, Advocate for applicant/IIM Jammu had argued that applicant/IIM Jammu is not only a proper party but a necessary party in the present proceedings as the premises in question have been constructed for applicant/IIM Jammu. The applicant is making the entire payment to petitioner and is affected party in the present matter and the applicant is at the receiving end in the entire transaction. Applicant/IIM Jammu has been involved in day-to-day affairs and execution of work in question. The meetings between petitioner, respondent and IIM Jammu were chaired by the Director of IIM Jammu and petitioner itself had written letter to applicant/IIM Jammu to mediate/intervene.
5. Learned counsel(s) for applicant/IIM Jammu had further argued that the officers of applicant/IIM Jammu were involved in the project and they were supervising even the minute details. Learned counsel(s) had drawn attention of this court towards document no. 20, document no.26 (page 121) and document no. 27 (page 124) annexed with captioned IA. Learned counsel(s) had also drawn attention of this court towards MOU executed between respondent no.1 and applicant/IIM Jammu and more particularly page 10 and 13 of said MOU. Learned counsel(s) had also relied upon Clause 20.1, 20.2, 20.3, 20.15 and 21.13 of said MOU.



6. Learned counsel(s) for applicant/IIM Jammu had also drawn attention of this court towards Section 182 to Section 187 of the Indian Contract Act, 1872 and argued that respondent no.1 is agent and applicant/IIM Jammu is principal as defined in Section 182 of said Act.
7. Learned counsel(s) for applicant/IIM Jammu had also relied upon Notice inviting tender for construction of permanent campus for IIM Jammu at Jagti, Jammu and more particularly para 36 (page 115) and argued that in view of said clause, IIM Jammu is entitled of being impleaded as a party in any dispute arising out of said tender.
8. Learned counsel(s) for applicant/IIM Jammu have relied upon following judgments:
  - (i) ***KKH Finvest Private Limited and Ors. versus Jonas Haggard and Ors. ;***  
MANU/DE/7326/2024
  - (ii) ***RBCL Piletech Infra verus Bholasingh Jaiprakash Construction Limited and Ors. ;***  
MANU/DE/4804/2024
  - (iii) ***Gaurav Dhanuka and Ors. versus Surya Maintenance Agency Pvt. Ltd and Ors. ;***  
303(2023) DLT 41
9. On the other hand, Mr. Avinash Trivedi, learned counsel for petitioner has drawn attention of this towards Section 2(h) of the Arbitration and conciliation Act, 1996 i.e. pertaining to definition of party and argued that party means and implies party to the



arbitration agreement. The applicant/IIM Jammu is not party to said Arbitration Agreement and therefore, the captioned IA is without merits and same is liable to be dismissed.

10. Learned counsel further argued that there is no privity of contract between petitioner and the applicant, applicant has no *locus standi* to file the captioned IA and has no right of being impleaded as a party/respondent.
11. Learned counsel further argued that the impact of impleading applicant/IIM Jammu as respondent in the present matter will be that even the applicant/IIM Jammu will be entitled to file a counter claim against the petitioner.
12. Learned counsel further argued that there is no principal agent relationship between respondent no.1 and applicant/IIM Jammu and they are not part of group of companies.
13. Learned counsel has further drawn attention of this court towards Clause 20.15, 21.13 and 23 of MOU executed between respondent no.1 and applicant/IIM Jammu and argued that the entire responsibility of ensuring the due execution of contract was upon CPWD/respondent no.1 and in case of any default only CPWD/respondent no.1 can sue or be sued.
14. Learned counsel for petitioner has relied upon following judgments:

*(i) M/S Mathra Dass Ahuja and Sons versus  
Delhi Tourism and Transportation*



***Development Corporation Ltd.*** ; ARB.P. 756/2024 decided by HMJ Jasmeet Singh, Judge, High Court of Delhi vide order dated 03.09.2024.

(ii) ***IIT, Mandi versus CPWD and Anr.*** ; CWP No. 9200/2025 decided by Hon'ble High Court of Himachal Pradesh, Shimla on 29.12.2025.

15. It is also pertinent to mention that Mr. Vikram Jetly, CGSC for respondent no.1 has stated that respondent no.1 has no objection if captioned IA is allowed and applicant/IIM Jammu is impleaded as a party in the present matter. Counsel for respondent no.1 has supported the contention/arguments of learned counsel(s) for applicant/IIM Jammu.

16. I have duly considered the rival submissions. I have perused the record including the MOU, Notice inviting tender as well as other documents placed on record by parties. I have also perused the aforesaid judgments upon which reliance has been placed on behalf of parties.

17. Order I Rule 10 (2) of CPC is being reproduced herein below for sake of convenience and ready reference:

***Court may strike out or add parties-*** *The Court may at any stage of the proceedings, either upon or without the application of either party, and on such terms as may appear to the Court to be just, order*



*that the name of any party improperly joined, whether as plaintiff or defendant, be struck out, and that the name, of any person who ought to have been joined, whether as plaintiff or defendant, or whose presence before the Court may be necessary in order to enable the Court effectually and completely to adjudicate upon and settle all the questions involved in the suit, be added.*

18. Perusal of record shows that applicant/IIM Jammu is neither a party nor a signatory to the Arbitration Agreement/Arbitration Clause executed between petitioner and respondent.
19. The question which is to be decided by this court is whether the applicant/IIM Jammu/non-signatory to the Arbitration Agreement/Arbitration Clause is entitled of being impleaded as a party in the present matter.
20. Hon'ble Supreme Court of India in case titled as "***Cox and Kings Ltd. versus SAP India Pvt. Ltd. and Anr.***" (2024) 4 SCC 1 had held that persons or entities who have not signed the Arbitration Agreement can also be bound by the Agreement if they are veritable parties. A written contract does not necessarily require that parties put their signatures to the document embodying the terms of Agreement.
21. In **Cox and Kings' case** (*supra*), Hon'ble Supreme



Court dealt with the principles relating to ‘Group of Companies Doctrine’ and reiterated that these principles are:- (a) mutual intent of the parties (b) relationship of a non-signatory to a party which is a signatory to the Agreement (c) commonality of the subject matter (d) composite nature of the transaction and (e) performance of the contract.

22. In **Cox and Kings’ case** (*supra*) Hon’ble Supreme Court of India observed that if a non-signatory party actively participates in the performance of a contract and its actions align with those of the other members of the group, it gives the impression that the non-signatory is a veritable party to the contract which contains the Arbitration Agreement. Hon’ble Supreme Court further observed that the participation of the non-signatory in the performance of the underlying contract is the most important factor to be considered by the courts and tribunals. The conduct of the non-signatory parties is an indicator of the intention of the non-signatory to be bound by the Arbitration Agreement. The intention of the parties to be bound by an Arbitration Agreement can be gauged from the circumstances that surround the participation of the non-signatory party in the negotiation, performance and termination of the underlying contract containing such agreement.

23. In **Gaurav Dhanuka’s case** (*supra*) Hon’ble High Court of Delhi had held that the non-signatories to the Arbitration Agreement can also be made parties to the arbitral proceedings by way of implied or specific



consent.

24. In **KKH Finvest Pvt. Ltd. case (supra)** Hon'ble High Court of Delhi had observed that the petitioners therein have made out a *prima facie* case for impleadment of respondent no.2 to 5 as veritable parties for the adjudication of disputes between parties and all the parties were referred to mediation.
25. In **Mathra Dass Ahuja's case (supra)** Hon'ble High Court of Delhi had observed that since the petitioner does not have any privity of contract with DSEU, therefore, petitioner cannot be forced to implead DSEU as a party.
26. Hon'ble High Court of Delhi in **RBCL Piletech Infra's case (supra)** had discussed the law relating to inclusion of a non-signatory to an Arbitration Agreement in the arbitral proceedings and emphasized on the role played by non-signatory in the execution of work as per terms and conditions of the Agreement.
27. In **IIT Mandi's case (supra)** Hon'ble High Court of Himachal Pradesh, Shimla had reiterated the law laid down in **Cox and Kings' case (supra)** and held as under:

*“19. In terms of the judgments of the Hon'ble Supreme Court reproduced above, the intention of the parties to be bound by an Arbitration Agreement can be gauged from the circumstances that surround the participation of the non-signatory parties in the "negotiation,*



*performance and termination of the underlying contract containing such Agreement". Hon'ble Supreme Court has also held that the intention of the parties can be ascertained from circumstances like (a) preliminary negotiation between the parties; (b) practices, which the parties have established between themselves, (c) The conduct of the parties subsequent to the conclusion of the contract; (d) the nature and purpose of the contract; (e) the meaning commonly given to terms and expressions in the trade concerned, and (f) usages.*

*20. Now, if one applies these principles and tests to the contract which has been entered into between CPWD and the Contractor, one finds that there is no participation whatsoever of the present petitioner in the execution of the contract between CPWD and the Contractor. In other words, said contract was entered into of between CPWD and the Contractor independent of the petitioner and the petitioner was neither consulted nor it was in any manner whatsoever associated with the execution of the contract. Perusal of the contract also demonstrates that the petitioner, played*



*no role either in the course of the negotiation of the terms of the contract nor it has any role in the performance of the contract or determination of the contract. The petitioner has no concern whatsoever as far as the execution of the contract between CPWD and the contractor is concerned.”*

28. On perusal of law laid down in aforesaid judgments and on applying the same to the facts and circumstances of the case in hand, I am of the considered view that applicant/IIM Jammu is entitled of being impleaded as a party in the present matter as the premises in question have been constructed for applicant/IIM Jammu. Applicant/IIM Jammu is beneficiary of the premises in question and all the payment for construction of premises has been made/is to be made by IIM/Jammu. Applicant/IIM Jammu is the ultimate beneficiary/sufferer of all the acts/omissions of petitioner. Applicant/IIM Jammu has supervised the entire construction process and has been involved in day-to-day affairs/decisions with respect to construction of premises in question. Para/Clause 36.0 (page no. 115) of Notice inviting tender gives applicant/IIM Jammu the power to do so. Applicant/IIM Jammu had played active role in performance of the Contract/Agreement in question.

29. It is also a matter of record that the petitioner itself had written letter to Director as well as other Board



Members of IIM Jammu to intervene and mediate when disputes arose between petitioner and respondent.

30. Respondent/CPWD was acting as an agent of applicant/IIM Jammu and presence of applicant/IIM Jammu is very much essential and required for the complete and effective adjudication of the dispute between parties. Though IIM Jammu is not signatory to the Arbitration Agreement but the positive, direct and substantial involvement of applicant/IIM Jammu in fulfilling the terms and conditions of notice inviting tender etc. establishes its role as necessary party to the dispute.
31. Hence, captioned IA is hereby allowed and disposed of accordingly.
32. Amended memo of parties be filed within one week from today.
33. Copy of petition etc. be supplied to applicant/IIM Jammu within one week from today.
34. Reply, if any, may be filed by applicant/IIM Jammu within two weeks thereafter.
35. Rejoinder, if any, may be filed within one week thereafter.
36. Re-notify on 02.03.2026 for further proceedings as per law.

**DEEPAK DABAS (DHJS),  
JOINT REGISTRAR (JUDICIAL)**

**JANUARY 23, 2026/anj**