



2025:DHC:11857



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

Date of decision: 16th DECEMBER, 2025

IN THE MATTER OF:

+ **O.M.P. (T) (COMM.) 113/2025 & I.A. 30641/2025**

M/S INDERJIT MEHTA CONSTRUCTIONS PVT LTD

.....Petitioner

Through: Mr. Aaditya Vijay Kumar, Ms. Akshita Katoch, Mr. Vikram Pradeep, Mr. Anay Khandelwal and Ms. Pratishtha Chauhan, Advs.
Mr. Ashish Dholakia, Sr. Adv, Mr. Vikram Pradeep, Ms. Akshita Katoch, Mr. Anay Khandelwal and Ms. Pratishtha Chauhan, Advs. in I.A. 30641/2025

versus

UNION OF INDIA

.....Respondent

Through: Dr. B Ramaswamy CGSC

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

JUDGMENT (ORAL)

1. This Petition under Section 14 and 15(2) of the Arbitration and Conciliation Act, 1996 has been filed by the Petitioner seeking substitution of the learned Arbitrator.
2. It is stated that the Petitioner was awarded a contract bearing no. DGMAP/PHASE-II/PKG-23/A/R&C/04 of 2015-2016 by the Respondent for completion of balance works for construction of dwelling units including



2025:DHC:11857



allied services for Officers, JCOs and ORs at Kirkee. It is stated that disputes arose between the parties under the said Contract and the Petitioner herein invoked Arbitration by sending a Notice under Section 21 of the Arbitration and Conciliation Act, 1996 to the Respondents. It is stated that since the Respondent failed to reply to the said notices, the Petitioner approached this Court by filing ARB.P.691/2019 and this Court *vide* Order dated 24.01.2020 appointed Mr. K.B. Rai, Former Chief Engineer, Punjab PWD, as the Sole Arbitrator to adjudicate upon the disputes between the parties. It is stated that Mr. K.B. Rai passed away on 04.05.2021. Consequently, the Petitioner again approached this Court by filing a Petition under Section 11(6) of the Arbitration and Conciliation Act, 1996, and *vide* order dated 07.12.2021, this Court appointed, Justice Vikramjit Sen, former Judge of the Supreme Court of India as the Sole Arbitrator to adjudicate upon the disputes between the parties from the stage at which they were left by Mr. K.B. Rai.

3. It is stated that at the time of appointment of Justice Vikramjit Sen, former Judge of the Supreme Court of India as the Sole Arbitrator, pleadings were substantially completed and the matter was at the stage of final arguments. It is stated that after excluding the period covered by the *suo motu* orders of the Supreme Court on account of COVID-19, the mandate of the learned Arbitrator was to expire on 27.07.2023. It is stated that despite repeated extensions granted by this Court from time to time, the arbitral proceedings progressed at a slow pace and the issues relating to deposit of arbitral fees and costs occupied a substantial portion of the extended period. It is stated that after multiple extensions of the mandate of the Arbitral Tribunal, the learned Arbitrator ultimately heard final arguments and



2025:DHC:11857



reserved the award on 06.07.2024. It is stated that even thereafter, the award was not pronounced, and further extensions were sought. It is stated that this Court *vide* Order dated 04.07.2025 in O.M.P.(MISC.)(COMM.) 443/2025 extended the mandate till 30.09.2025. It is stated that despite the matter having been reserved for more than one year and three months, the learned Arbitrator has not pronounced the Award even till 30.09.2025.

4. Alleging that the learned Arbitrator has failed to act and that his mandate has come to an end by efflux of time, the Petitioner has filed the present petition under Sections 14, 15(2) read with Section 11(6) of the Arbitration and Conciliation Act, 1996, seeking substitution of the learned Arbitrator and for appropriate consequential reliefs.

5. I.A. 30641/2025 has been filed by the Respondent seeking extension of the Mandate. It is stated in the Application that after the expiry of the mandate of the Arbitral Tribunal on 30.09.2025, the learned Arbitrator addressed communications to the parties and by an email dated 10.11.2025, the learned Arbitrator sought a short extension of his mandate, and thereafter, by an email dated 15.11.2025, the learned Arbitrator intimated that the arbitral award was ready for pronouncement. It is, therefore, stated that the mandate of the learned Arbitrator be extended for a short period to enable him to pronounce the Award. It is contended by the Respondent that substitution of the Arbitrator at this stage would result in a third round of adjudication, leading to wastage of time, effort and costs already incurred by the parties.

6. Reply to I.A. 30641/2025 has been filed by the Petitioner opposing the request of the Respondent to extend the mandate on the ground that five extensions have already been granted to the learned Sole Arbitrator. It is



2025:DHC:11857



stated that 17 months have passed from the last extension and the award has yet not been pronounced by the learned Arbitrator and, therefore, the mandate be not extended and a substitute Arbitrator be appointed.

7. Heard the learned Counsels for the parties and perused the material on record.

8. Learned Counsel for the Petitioner in O.M.P.(T)(COMM.) 113/2025 has placed reliance on the Judgment dated 10.12.2025 passed by the Apex Court in Mohan Lal Fatehpuria v. M/s Bharat Textiles & Ors., SLP (C) No.13759/2025. He contends that once the time period under Section 29A of the Arbitration & Conciliation Act is over, then Section 29A(6) empowers the Court and obligates the Court to substitute the arbitrator. The relevant portion of the said Judgment reads as under:-

“11. The undisputed facts which emerge from the record before us, are that, the sole Arbitrator entered the reference on 20.05.2020 and directed the parties to file the statements of claim and defence. The period of six months prescribed under Section 23(4) of the Act, for completion of pleadings expired on 19.11.2020. The period from 15.03.2020 till 28.02.2022 deserves to be excluded on account of pandemic caused by Covid-19 virus[COGNIZANCE FOR EXTENSION OF LIMITATION, IN RE (2022) 3 SCC 117] . In view of mandate contained in Section 29A(1) of the Act, the sole Arbitrator was under an obligation to pass an award within a period of one year from 01.03.2022, i.e. on or before 28.02.2023. However, the sole Arbitrator failed to do so. The parties did not apply for extension of period to pass an award. The sole arbitrator, in view of mandate contained in Section 29A(4) became functus officio.

12. We are conscious of the fact that a two Judge



Bench of this Court [ROHAN BUILDERS (INDIA) PVT. LTD. v. BERGER PAINTS INDIA LTD. - 2024 SCC OnLine SC 2494] has interpreted the word ‘terminate’ in Section 29A(4), while dealing with an issue whether an application for extension of time for passing the arbitral award is maintainable even after the expiry of twelve months or extended six month period, as the case may be. It has been held that on expiry of the initial period of six month and extended period of six months, the Arbitral Tribunal becomes functus officio but not in absolute terms. It has further been held that the termination of arbitral mandate is conditional upon the filing of an application for extension and cannot be treated termination stricto sensu. It has also been held that the legislature by using the word ‘terminate’ intends to affirm the principle of party autonomy. However, the fact remains that on expiry of initial period or extended period, the arbitrator cannot proceed with the arbitration proceeding and his mandate terminates, subject to an order which may be passed by the Court in a proceeding under Section 29A(4) of the Act.

13. An arbitrator or an Arbitral Tribunal is not always statutory. It is, ordinarily, a forum chosen by the parties for resolution of their disputes. An Arbitral Tribunal with the consent of the parties decides their disputes. In the instant case, as stated supra, the mandate of the sole Arbitrator had terminated on 28.02.2023. When mandate of arbitrator has expired, his continuation is impermissible. Section 29A(6) empowers and obligates the Court to substitute the Arbitrator. In so far as submission of the respondents, that, since the petition filed under Sections 14 and 15 of the Act was rejected on 24.01.2022 by the High Court is concerned, suffice it to say that the Act provides separate remedies in the circumstances mentioned in Sections 14, 15 and 29A of the Act. In any



2025:DHC:11857



case, on 24.01.2022, the mandate of the sole arbitrator was not terminated. Therefore, the order dated 24.01.2022 does not have any impact on the decision of the petition under Section 29A of the Act filed by the appellants. The substitution of a sole arbitrator is warranted, when his mandate ceases to exist, to effectuate the object of the Act, which mandates expeditious resolution of the dispute. In view of the statutory scheme and undisputed factual position, we are satisfied that the case warranted the exercise of jurisdiction under Section 29A(6) of the Act. The High Court erred in granting an extension when the mandate of the sole arbitrator had ceased to exist. ”

9. The facts of the case in Mohan Lal Fatehpuria (supra) and the facts of the present case are completely different. After filing O.M.P.(T)(COMM.) 113/2025, the Arbitrator has given communications dated 10.11.2025 and 15.11.2025. In the said communications, the Arbitrator has categorically indicated that the arbitral award has been prepared and is ready for pronouncement.

10. This Court is of the opinion that substantial judicial time and effort have been expended in the matter. The email dated 15.11.2025 shows that the the arbitral process has thus reached its terminal stage, and substitution of the Arbitrator at this juncture would result in avoidable duplication of effort and further delay, contrary to the objective of expeditious dispute resolution under the Arbitration and Conciliation Act, 1996.

11. In view of the fact that arbitral proceedings have been concluded and the award is stated to be ready, the balance of convenience lies in permitting a short extension to enable pronouncement of the award rather than unsettling the proceedings by ordering substitution of the Arbitrator at the



final stage.

12. Applying the law laid down by the Apex Court in Rohan Builders (India) Private Limited v. Berger Paints India Limited, **2024 SCC OnLine SC 2494**, this Court is inclined to regularize the period of the mandate of the Arbitral Tribunal from 30.09.2025 till today and extend the mandate of the Arbitral Tribunal till 31.01.2026, so that the award can be pronounced.

13. It is made clear that no further extensions will be granted and the short extension which has been granted is only to enable the learned Arbitrator to pronounce the Award.

14. Resultantly, O.M.P.(T)(COMM.) 113/2025 is rejected. I.A. 30641/2025 is allowed. Pending application(s), if any, stand disposed of.

SUBRAMONIUM PRASAD, J

DECEMBER 16, 2025

Rahul