
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

ARBITRATION PETITION NO. 60 OF 2025

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Hanjer Biotech Energies Vasai Pvt. Limited ... Petitioner
Vs
Vasai Virar Municipal Corporation .. Respondent

Mr. Sunip Sen, Senior Counsel i/b Shubro Dey, for Petitioner.

The Respondent was represented but appearance has not been submitted.

CORAM : SOMASEKHAR SUNDARESAN, J.

Date : June 17, 2025

Order :

1. This is a Petition under Section 29-A of the Arbitration and Conciliation Act, 1996 (***the Act***).
2. The mandate of the arbitral tribunal expired on July 3, 2020. It is seen from a list of dates relied upon by the Learned Senior Counsel on behalf of the Petitioner that the Statement of Defence and the Counter Claim on behalf of the Respondent had been filed on July 9, 2018. Thereafter by consent the parties confirmed an extension until October 23, 2019. By this Court's order the mandate was further extended until July 3, 2020.

3. The activity carried out in the arbitration proceedings appeared to have fizzled out by March 2020 right at the time in the COVID-19 pandemic peaked, and resultant hard lockdown was imposed.

4. However, it is common ground that since then, there has been no activity in the arbitration, and therefore, it would be necessary to look to the extension of timelines granted by the Supreme Court in *suo motu* proceedings titled *In Re: Cognizance for Extension of Limitation*¹, by which deadlines, including deadlines under Section 29-A of the Act stood extended. Even applying that principle, the intervention of the Supreme Court came to an end by May 29, 2022, which is 90 days after February 28, 2022, when the suspension of deadlines was brought to an end with a grace period of 90 days.

5. It can be seen from the record that this Petition has been affirmed only on February 20, 2025 and there is no real explanation for the delay of three years between May 2022 and February 2025 in seeking extension of the mandate of the arbitral tribunal, except to state that one Mr. Irfan Furniturewala, the witness was keeping poor health and had undergone an emergency surgery in 2020. Even providing for a long period of recuperation, the delay is inordinately long.

6. However, considering the efforts that have already gone into the proceedings and the costs and expenses that have been incurred so far, even

¹ *Suo Motu Writ Petition (Civil) No.3 of 2020*

if the mandate is allowed to expire, since the arbitration agreement would subsist, the parties would recommence arbitration all over again incurring further expense, and inflict expenditure on the Respondent which is a civic body.

7. In these circumstances, it would meet the ends of justice to impose costs on the Petitioner (who admits that costs have also been imposed by the arbitrator in the past for the delays in the arbitration proceedings) so that the activity carried out until now does not go waste. It would be appropriate to impose costs in the sum of Rs. 6 Lakhs (approximately Rs. 2 Lakhs per year of delay). The claim amount is said to be in the region of Rs.550 Crores and should the Petitioner be serious about pursuing the arbitration proceedings, this is a minuscule cost that he has to pay.

8. Such costs shall be paid over to the Respondent no later than ***July 1, 2025***. Subject to such costs being paid, the mandate of the Arbitral Tribunal shall stand extended until ***June 30, 2026***. Should the arbitrator be unwilling to continue with the proceedings after such inordinate delay, liberty is granted to the parties to jointly mention the matter for appointment of a substitute arbitrator by consent.

9. The Petition is ***finally disposed of*** in the aforesaid terms.

10. All actions required to be taken pursuant to this order, shall be taken upon receipt of a downloaded copy as available on this Court's website.

[SOMASEKHAR SUNDARESAN, J.]