



\$~24

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

+ O.M.P. (T) (COMM.) 8/2025 & I.A. 1410/2025

RANJIT SINGH AND COMPANY LLP

.....Petitioner

Through: Mr. Ajit Pudussery and Mr.
Ashutosh Bamezai, Advocates.

versus

POWERGRID CORPORATION OF INDIA LIMITED

.....Respondent

Through: Ms. Prema Priyadarshini and Mr.
Priyansh Kanwar, Advocates.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

21.08.2025

%

1. This petition is filed on behalf of the Petitioner under Section 14(2) of the Arbitration and Conciliation Act, 1996 ('1996 Act') for termination of the mandate of the Arbitral Tribunal, in light of procedural order dated 28.11.2024 and for appointment of substitute Arbitrators.
2. Mr. Ajit Pudussery, learned counsel for the Petitioner relies on the judgment of the Supreme Court in *Oil and Natural Gas Corporation Ltd. vs. Afcons Gunanusa JV, (2024) 4 SCC 481*, more particularly, paragraphs 123 to 126 to argue that the Arbitral Tribunal cannot pass a direction for payment of fees outside the Fourth Schedule of the 1996 Act.
3. It is urged that first procedural order was passed by the Arbitral Tribunal on 09.04.2024 in the absence of the Claimant, who expressed his inability to appear being out of the country by which a direction was issued



to deposit Rs.5 lacs as Arbitrators' fees plus Rs.50,000/- towards administrative expenses. On 10.06.2024, Statement of Claim was filed by the Petitioner raising claims totalling to Rs.2,12,92,251/- with interest at Rs.1,00,10,274/-. In light of the value of the claims, the fees as per Fourth Schedule worked out to Rs.5,61,240/- per Arbitrator and thus the amount payable by each party was only Rs.2,80,620/- and hence, the direction to deposit Rs.5 lacs by each party as fees for each Arbitrator was excessive.

4. It is further argued that Petitioner filed an application on 25.09.2024 before the Arbitral Tribunal pleading that order dated 09.04.2024 be modified and fees be charged as per Fourth Schedule, however, the application was dismissed by two members of the Arbitral Tribunal while the third one dissented and agreed with the Petitioner. In the next hearing, on 16.12.2024, Arbitral Tribunal again insisted on payment of fees as directed earlier failing which arbitration would be terminated. It is thus urged that mandate of the Arbitral Tribunal be terminated inasmuch as the Supreme Court in *Afcons Gunanusa JV (supra)* has clearly held that Fourth Schedule of the 1996 Act would be a reasonable yardstick for fixation of fees.

5. Learned counsel appearing for the Respondent, *per contra*, draws the attention of the Court to order dated 28.11.2024 passed by the Arbitral Tribunal wherein it is recorded that the Arbitrators were agreeable to charge fees as per Fourth Schedule of the Arbitration and Conciliation Act, 1996 and therefore, the petition deserves to be dismissed.

6. Responding to this, Mr. Pudussery fairly submits that in light of this order, Petitioner does not press on the mandate of the Arbitral Tribunal being terminated, however, the direction to pay Rs.5 lacs at one go, which



is double than the actual fees chargeable *albeit* it is made subject to adjustment, deserves to be modified, as Petitioner does not have the financial means to pay this exorbitant amount.

7. The main plank of the argument of the Petitioner in the present petition is that the learned Arbitral Tribunal is insisting on charging fees beyond the Fourth Schedule and therefore, its mandate be terminated. As rightly flagged by counsel for the Respondent, this direction stands modified by the Arbitral Tribunal and vide order dated 28.11.2024 it is made clear that the Arbitrators will be charging fees as per Fourth Schedule of the 1996 Act. In light of this order, no further order is required to be passed in the present petition for termination of the mandate of the Arbitral Tribunal.

8. Insofar as *ad hoc* deposit of Rs.5 lacs towards fees of each Arbitrator is concerned, Petitioner shall deposit the fees as per Fourth Schedule and furnish necessary calculations before the learned Arbitral Tribunal. To this extent, the direction in order dated 09.04.2024 read with 28.11.2024 is modified.

9. Petition along with pending application stands disposed of in the aforesaid terms.

JYOTI SINGH, J

AUGUST 21, 2025/RW/YA