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

Date of Decision: 18.08.2025

+ **O.M.P.(MISC.)(COMM.) 115/2025**

DESIRE INFRABUILD PVT LTD

.....Petitioner

Through: Mr. Shikhar Sharma, Mr. Mudit
Ruhella, Mr. Aryaman Nehra, Mr.
Vishal Tyagi, Advs.

versus

OYO APARTMENTS INVESTMENTS LLP

.....Respondent

Through: Dr. Amit George, Mr. Chaitanya
Kaushik, Mr. Avinash K Singh, Mr.
Saurabh Pal, Ms. Seema Mehta, Ms.
Vidhi Uppal, Mr. Dushyant Kaul,
Advs.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

: **JASMEET SINGH, J (ORAL)**

1. This is a petition filed under section 29A of Arbitration and Conciliation Act, 1996 ("**1996 Act**") seeking extension of the mandate of the Arbitral Tribunal by a period of 15 months i.e. from 14.01.2024 to 14.04.2025 or to any day thereafter.
2. The facts are as under:-

S. No.	Date	Particulars
1.	03.03.2022	This Hon'ble Court appointed Mr. Pranav Sarthi (Advocate) as the Sole Arbitrator for adjudication of disputes between the parties herein.
2.	15.07.2022	Parties filed their respective pleadings.



3.	14.07.2023	The mandate of the Arbitral Tribunal expired (12 months from the date of completion of the pleadings.)
4.	18.07.2023	The parties consented for a six-month extension of the Arbitral Tribunal's mandate under section 29A(3) of the 1996 Act.
5.	14.11.2023	The Arbitral Tribunal reserved the Award.
6.	14.01.2024	The mandate of the Arbitral Tribunal expired, rendering the Tribunal functus officio.
7.	06.04.2024	The Award was rendered by the learned Sole Arbitrator.
8.	04.07.2024	The Respondent filed its challenge to the Award under Section 34 of the 1996 Act.
9.	12.08.2024	This Hon'ble Court stayed the Award dated 06.04.2024 passed by the learned Sole Arbitrator.
10.	27.01.2025	Hence the present petition.

3. The moot question which arises for my consideration is whether the present petition seeking extension of mandate of the Arbitral Tribunal will lie once the Award has been rendered by the Arbitral Tribunal.
4. Mr. Sharma, learned counsel for the petitioner strongly relies upon a judgment passed by a coordinate bench of this Court in ***Chandok Machineries v. S.N. Sunderson & Co., 2018 SCC OnLine Del 11000***, wherein this Court has taken a view that a petition under section 29A of the 1996 Act can be filed even after the passing of the Award. Reliance



is placed on paragraphs 3, 24, 31, 32 of the said judgment which read as under:-

“3. The learned senior counsel for the petitioner contends that in terms of Section 29A of the Act, the mandate of the Arbitral Tribunal had terminated on 13th June, 2017. He submits that the Impugned Award, though has a typed date of 12th June, 2017, was passed only on 28th June, 2017, which is the date mentioned under the signatures of one of the Arbitrators and, therefore, the Impugned Award has been passed after the mandate of the Arbitral Tribunal had terminated and the same cannot be given effect to.

.....
24. This now brings me to the second contention of the learned senior counsel for the petitioner, which is premised on Section 29A of the Act. It is submitted by the learned senior counsel for the petitioner that as the third Arbitrator had signed the Award on 28th June, 2017, which is beyond the period of one year from the date of the Arbitral Tribunal entering upon the reference, the mandate of the Arbitral Tribunal already stood terminated and the Award could not have been signed by the third arbitrator.

.....
31. Even Section 29A(4) of the Act empowers the Court to extend the time for making of the Award even after the expiry of the period. Once the Court extends the time for making of the Award, the proceedings, if any, undertaken by the



Arbitral Tribunal after the expiry of the prescribed period, shall stand validated.

32. In the present case, even assuming that the date of the Award has to be taken as 7th July, 2017, when a copy of the same was dispatched to the parties by the Arbitral Tribunal, this Court can extend the time for making of the Award in exercise of its powers under Section 29A(4) of the Act. It is not shown by the petitioner why the time limit should not be extended by this Court. The only submission made by the learned senior counsel for the petitioner is that such extension of time can be granted only on an application made by any of the parties to the arbitration proceedings. In my opinion, such application need not only be in writing but can also be oral.”

(Emphasis added)

5. *Per contra*, Dr. George, learned counsel for the respondent strongly opposes the above submissions made by the learned counsel for the petitioner and submits that **Chandok Machineries (supra)** has been distinguished by a coordinate bench of this Court in **Powergrid Corpn. of India Ltd. v. SPML Infra Ltd., 2023 SCC OnLine Del 8324** wherein it is held that **Chandok Machineries (supra)** does not propound a proposition of law. He further states that the once an Award has been passed, the petition seeking extension of mandate will not at all lie.
6. Reliance is also placed on **Suryadev Alloys and Power Pvt. Ltd. v. Shri Govindaraja Textiles Pvt. Ltd., 2020 SCC OnLine Mad 7858**.
7. I have heard learned counsel for the parties.



8. A perusal of the fact shows that the mandate of the Arbitral Tribunal was lastly extended for a period of 6 months on 18.07.2023 with effect from 14.07.2023 and came to an end on 14.01.2024. Thereafter, the Award dated 06.04.2024 was passed by the learned Sole Arbitrator after the mandate got expired which is not in dispute by either of the parties.
9. Consequently, the respondent challenged the aforesaid Award by filing a petition under section 34 of 1996 Act on 04.07.2024. This Court *vide* Order dated 12.08.2024, while issuing notice, stayed the effect and operation of the Award dated 06.04.2024 on the ground, *prima facie*, that the Award was passed when the Arbitral Tribunal was functus officio. It is only on 27.01.2025, the present petition has been filed.
10. Section 29A of 1996 Act reads as under:-

“[29A. Time limit for arbitral award.— [(1)The award in matters other than international commercial arbitration shall be made by the arbitral tribunal within a period of twelve months from the date of completion of pleadings under sub-section (4) of section 23:

Provided that the award in the matter of international commercial arbitration may be made as expeditiously as possible and endeavor may be made to dispose of the matter within a period of twelve months from the date of completion of pleadings under sub-section (4) of section 23.]

2)

(3) The parties may, by consent, extend the period specified in sub-section (1) for making award for a further period not



exceeding six months.

(4) If the award is not made within the period specified in sub-section (1) or the extended period specified under sub-section (3), the mandate of the arbitrator(s) shall terminate unless the Court has, either prior to or after the expiry of the period so specified, extended the period:

Provided that while extending the period under this sub-section, if the Court finds that the proceedings have been delayed for the reasons attributable to the arbitral tribunal, then, it may order reduction of fees of arbitrator(s) by not exceeding five per cent. for each month of such delay.

[Provided further that where an application under sub-section (5) is pending, the mandate of the arbitrator shall continue till the disposal of the said application:

.....

(5) The extension of period referred to in sub-section (4) may be on the application of any of the parties and may be granted only for sufficient cause and on such terms and conditions as may be imposed by the Court.”

(Emphasis added)

11. The said section mandates that the arbitral proceedings shall be completed in a time bound manner which is one of the features of the 1996 Act. On perusing section 29A (4) and (5), it clearly states that if the Award is not made within the specified period of sub section (1) or (3) then the mandate of the Arbitral Tribunal stands terminated unless the Court extends the mandate by showing sufficient cause meaning



thereby the Court retains the power to extend the mandate of the Arbitral Tribunal, such power is restricted that the arbitral proceedings must still be pending.

12. The Hon'ble Supreme Court in ***Rohan Builders (India) (P) Ltd. v. Berger Paints India Ltd., 2024 SCC OnLine SC 2494*** decided that an application seeking extension of the mandate of the Arbitral Tribunal for passing an Award after the mandate has expired is maintainable. Relevant paragraphs from the said judgment are extracted below:-

“17. As per the second proviso to Section 29A(4), the mandate of the arbitral tribunal continues where an application under sub-section (5) is pending. However, an application for extension of period of the arbitral tribunal is to be decided by the court in terms of sub-section (5), and sub-sections (6) to (8) may be invoked. The power to extend time period for making of the award vests with the court, and not with the arbitral tribunal. Therefore, the arbitral tribunal may not pronounce the award till an application under Section 29A(5) of the A & C Act is sub-judice before the court. In a given case, where an award is pronounced during the pendency of an application for extension of period of the arbitral tribunal, the court must still decide the application under sub-section (5), and may even, where an award has been pronounced, invoke, when required and justified, sub-sections (6) to (8), or the first and third proviso to Section 29A(4) of the A & C Act.

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- 19. In view of the above discussion, we hold that an application for extension of the time period for passing an arbitral award under Section 29A(4) read with Section 29A(5) is maintainable even after the expiry of the twelve-month or the extended six-month period, as the case may be. The court while adjudicating such extension applications will be guided by the principle of sufficient cause and our observations in paragraph 15 of the judgment.”*
13. Learned counsel for the petitioner states that the aforesaid judgment does not bar the filing of the present petition after the Award has been pronounced in view of ***Chandok Machineries (supra)***. A perusal of the above paragraph seems to indicate that the extension of the mandate of the Arbitral Tribunal may be filed as long as the arbitral proceedings are pending. If the Award is pronounced, the Arbitral Tribunal becomes functus officio, leaving no scope for retrospective validation. Therefore, the pendency of the arbitral proceedings is a condition precedent for filing an application seeking extension of the mandate and Courts cannot retroactively breathe life into a dead mandate where the Award is delivered.
14. A coordinate bench of this Court in ***Powergrid Corpn. of India Ltd. (supra)*** observed that the arbitral proceedings must be pending for filing an application seeking extension of the mandate. Relevant paragraph is extracted below:-
- “36. It is evident from the language of the various clauses of Section 29A that the power of extension of the mandate of the Arbitrator by the Court, on an application by either party,*



arises only in cases where the arbitral proceedings are pending at the time of the application; the only leverage is that the application may be made either before or after the expiry of timeline, but it necessarily has to be before the Award is announced. Therefore extension may be granted by the Court on the following conditions:

(a) An application is moved by any of the parties when the arbitral proceeding is pending;

(b) Sufficient cause for extension is shown; and

(c) Such time may be extended on terms and conditions that the Court may impose. This includes the variation/ reduction in the fee of the Arbitrator if the delay is attributable to the Tribunal and even substitution of the Arbitrator.”

(Emphasis added)

15. The judgment of ***National Skill Development Corpn. v. Best First Step Education (P) Ltd., 2024 SCC OnLine Del 1479*** is also relevant and specially para 12 which reads as under:-

“12. In my view, the two judgments can be reconciled. Where a petition is filed prior to the award having been delivered, and the award is delivered during the pendency of the petition, the petition would be maintainable. However, a petition filed after the award is delivered and proceedings for setting aside have been instituted, is not maintainable. This distinction is justifiable on principle also - a party cannot choose whether or not to seek extension of the mandate after becoming aware of its fate in the arbitration proceedings,



and facing a challenge to the award on this ground.”

16. I am in complete agreement with the observations made in ***National Skill Development Corpn. (supra)***, wherein the Court has held that a party cannot be permitted to choose whether or not to seek extension of the mandate after becoming aware of its fate in the arbitration proceedings.
17. In the present case, the petitioner has sought to be a fence sitter and waited for the Award to be passed on 06.04.2024 and thereafter has filed the present petition after a lapse of more than 9 months. In the meantime, the respondent has already filed a petition under section 34 of 1996 Act and the Award has already been stayed on this aspect.
18. Allowing the present petition would be permitting the petitioner to not only enjoy the fruits of being a fence sitter but also putting a premium on its inaction, which is not the ambit and scope of the section 29A of 1996 Act. Hence, the present petition is a belated and an attempt to cure an incurable defect.
19. On perusing ***Chandok Machineries (supra)***, even though it holds that a petition under section 29A of 1996 Act can be filed post passing of the Award, the fact remains that in ***Chandok Machineries (supra)***, majority of the Arbitrators had signed the Award within the mandate of the Arbitral Tribunal and it is the only 3rd Arbitrator who had signed it thereafter. Hence, it was passed in those peculiar facts and circumstances. In addition, ***Chandok Machineries (supra)*** is pre ***Rohan Builders (India) (P) Ltd. (supra)*** and hence is distinguishable in view of the clear pronouncement of ***Rohan Builders (India) (P) Ltd. (supra)***.



20. A coordinate bench of this Court in **Powergrid Corpn. of India Ltd. (supra)** distinguished **Chandok Machineries (supra)** and observed as under:-

“39. Learned counsel for the petitioner has also relied upon Chandok Machineries (supra) of the Coordinate Bench. In the said judgment what has been observed is as under:

“Even Section 29A(4) of the Act empowers the Court to extend the time for making of the Award even after the expiry of the period. Once the Court extends the time for making of the Award, the proceedings, if any, undertaken by the Arbitral Tribunal after the expiry of the prescribed period, shall stand validated.”

40. An oral submission for the extension of mandate of the Arbitral Tribunal in **Chandok Machineries (supra)**, was made in a Petition under Section 34, which implies that an extension had been sought after the Award had been made. The Single Bench of this Court granted an extension of the mandate of the Arbitral Tribunal till the date of the Award invoking the powers under Section 29A of the Act, 1996 by stating that the application for an extension can either be oral or in writing.

41. In view of the analysis, intent and object of the Section 29A discussed above, the interpretation adopted by the coordinate bench in the case of **Chandok Machineries (supra)** was in the facts of its cases and does not propound a proposition of law.”



21. For the said reasons, the present petition seeking extension of mandate of the Arbitral Tribunal after the Award has been pronounced and challenged is dismissed.

JASMEET SINGH, J

AUGUST 18, 2025/DM

(Corrected and released on 23.08.2025)