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

+ **O.M.P.(MISC.)(COMM.) 336/2025**

STEEL AUTHORITY OF INDIA LIMITEDPetitioner

Through: Mr. Akshay Bhatia and Ms. Ankita
Amarnath, Advocates.

versus

**MCNALLY BHARAT ENGINEERING COMPANY LIMITED &
ANR.**Respondents

Through: Ms. Pooja Chakrabarty, Mr. Mohit
Dang and Mr. Shantanu Parmar, Advocates for
R-1.

None for R-2.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

% **26.05.2025**

1. This petition is filed on behalf of the Petitioner under Section 29A (4) and (5) of the Arbitration and Conciliation Act, 1996 ('1996 Act') seeking extension of the mandate of the Arbitral Tribunal.

2. Disputes having arisen between the parties in relation to a Contract executed on 22.09.2012 for setting up new External Water System for Mills and Fire Water Pump House at Bhilai Steel Plant, Petitioner invoked Arbitration Clause 9 of the Contract Agreement and Arbitral Tribunal was constituted on 28.02.2020. The proceedings, however, could not progress on account of Pandemic COVID-19. Mandate of the Arbitral Tribunal was extended from time to time and is stated to have expired on 04.04.2025 in between NCLT, Kolkata Bench admitted MBECL into insolvency and



moratorium was imposed under Section 14 of IBC, 2016 w.e.f. 29.04.2022. Resolution Plan was proved by NCLT on 19.12.2023 and BTL EPC Limited was a successful resolution Applicant.

3. It is stated in the petition that while the arbitral proceedings were at the stage of cross-examination of Petitioner's witnesses scheduled for 24.03.2025 and 25.03.2025, the evidence was deferred to first address the issue of continuing arbitral proceedings in light of the orders of NCLT. In this backdrop, Petitioner seeks extension of the mandate of the Arbitral Tribunal upto 05.01.2026.

4. Learned counsel for Respondent No. 1 objects to the extension of the mandate on the ground that the claims of the Petitioner stand extinguished on account of the approval of the Resolution Plan and therefore, no purpose will be achieved in continuing the arbitral proceedings. This position is refuted by counsel for the Petitioner, who submits that Petitioner had filed the claims within time, which were admitted on a notional value of one rupee and the rest was left to be adjudicated by the Arbitral Tribunal. The claims are not extinguished in law.

5. From the reading of the petition and the documents appended thereto, it is evident that the Arbitral Tribunal is in seisen of the issue with regard to continuation of the arbitral proceedings, post the approval of the Resolution Plan by NCLT and it is best left to the Arbitral Tribunal to also decide the issue whether the claims of the Petitioner stand extinguished, as alleged by Respondent No. 1.

6. Without expressing any opinion on the merits of the case as also on the objection raised by the Respondent No. 1, this petition is allowed extending the mandate of the learned Arbitral Tribunal from 26.05.2025



upto 05.01.2026 and the period between 05.04.2025 to 25.05.2025 is regularised.

7. Petition is allowed and disposed of in the aforesaid terms.

JYOTI SINGH, J

MAY 26, 2025/RW