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IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH

FAO-4745-2024 (O&amp;M)

Date of Decision: 29.01.2026

UNION OF INDIA THROUGH GENERAL MANAGER

....Appellant(s)

Versus

ANKUSH ENGINEERS AND CONTRACTORS (PVT.) LTD

.....Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr.Navjit Singh, Central Government Counsel,  
for the Union of India/appellant.

Mr. Nikhil Handu, Advocate, for the respondent.

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JASGURPREET SINGH PURI, J. (Oral)CM-1136-CII-2026

The present application has been filed for placing on record  
affidavit of the applicant/appellant.

For the reasons recorded in the application, the same is allowed.  
Affidavit of the applicant/appellant is taken on record subject to all just  
exceptions.

CM-17754-CII-2024

1. The present application has been filed seeking condonation of  
delay of 315 days in filing the present appeal.

2, By way of a separate application, an affidavit has been filed by  
the applicant-appellant giving reasons for seeking condonation of delay. The

reasons so mentioned in the aforesaid affidavit, which has been filed in

addition to the application for condonation of delay, have been stated in a tabulated form explaining how the delay has occurred. Various dates have been mentioned in the aforesaid affidavit in the tabulated form showing the period commencing from the receipt of the award till the filing of the present appeal under Section 37 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act'). The aforesaid tabulated form is reproduced as under:-

| <i>Sr.<br/>No</i> | <i>Events</i>                                                                                                                                                                                                                                                                                                                                                                  | <i>Dates</i>      |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 01.               | <i>Date of pronouncement of Arbitration Award in ARB. No. 54/20215 (M/s Ankush Engineer &amp; Contractors Vs UOI&amp; Ors.)</i>                                                                                                                                                                                                                                                | <i>28.09.2017</i> |
| 02.               | <i>Arbitration Award received in this office via Registry Post</i>                                                                                                                                                                                                                                                                                                             | <i>03.10.2027</i> |
| 03.               | <i>Letter sent to Railway Advocate Sh. Sandeep Varmani for legal opinion in respect of the said Arbitral Award.</i>                                                                                                                                                                                                                                                            | <i>03.10.2017</i> |
| 04.               | <i>Legal opinion received from Railway Advocate Sh. Sandeep Varmani</i>                                                                                                                                                                                                                                                                                                        | <i>09.10.2017</i> |
| 05.               | <i>In pursuant to the Legal Opinion, the said impugned Award Dt. 28.09.2017 was Challenged U/s 34 of the Arbitration &amp; Conciliation Act,1996before the Hon’ble District Court, Chandigarh vide ARB.NO. 1174/2027 titled as UOI through General Manager, Baroda House, New Delhi Vs Ankush Engineer &amp; Contracts (Pvt.) Ltd. Through its Director Mr. Ankush Bansal.</i> | <i>22.12.2017</i> |
| 06.               | <i>Objections U/s 34 in ARB. No. 1174/2017 came to be Dismissed and copy of the Order was received on 27.07.2023 through electronic means in Construction Office/Chandigarh.</i>                                                                                                                                                                                               | <i>27.07.2023</i> |
| 07.               | <i>File Put up for the legal opinion from Law officer/H.Q. /K. Gate by Sr. Executive Engineer/Const.-II/Chandigarh</i>                                                                                                                                                                                                                                                         | <i>27.02.2024</i> |
| 08.               | <i>File received back from Law Officer/H.Q. /K. Gate with some objections / observations / clarification.</i>                                                                                                                                                                                                                                                                  | <i>05.03.2024</i> |
| 09.               | <i>Railway Advocate Sh. Vaneet Mittal had advised for challenging the Order Dt. 27.07.202, U/s 37 of the Arbitration &amp; Conciliation Act, 1996 if, the department</i>                                                                                                                                                                                                       | <i>20.04.2024</i> |



|     |                                                                                                                                                                                                                                         |            |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
|     | <i>had sufficient grounds to challenge it.</i>                                                                                                                                                                                          |            |
| 10. | <i>In response to the queries made by the HQ Office (vide above Sr. No. 12), reply was sent by Sr. Executive Engineer/Const.-II/Chandigarh to the H.Q/K. Gate/Delhi.</i>                                                                | 07.05.2024 |
| 11. | <i>Legal opinion from Law Officer /H.Q. /K. Gate received</i>                                                                                                                                                                           | 08.05.2024 |
| 12. | <i>In Pursuant to the Legal Opinion of HQ Office, the case was forwarded by Sr. Executive Engineer/Const.-II/Chandigarh to the Dy. Chief Engineer/Construction-II/Chandigarh for administrative approval.</i>                           | 13.06.2024 |
| 13. | <i>File received back from Dy. Chief Engineer /Construction-II/Chandigarh with some objections / observations.</i>                                                                                                                      | 19.06.2024 |
| 14. | <i>After addressing the Objection/observations, made by Dy. Chief Engineer / Const.-II/ Chandigarh, the said File was gain sent to Dy. Chief Engineer /Construction-II/ Chandigarh by Sr. Executive Engineer/ Const.-II/ Chandigarh</i> | 08.07.2024 |
| 15. | <i>Thereafter, File was sent to Chief Project Manager /Construction/Chandigarh by Dy. Chief Engineer/ Construction-II/ Chandigarh</i>                                                                                                   | 27.07.2024 |
| 16. | <i>File was sent by Chief Project Manager /Const. /Chandigarh to Chief Administrative Officer /H.Q. Office /Kashmere Gate/Delhi for administrative approval to implement the Arbitral Award Dt. 28.09.2017.</i>                         | 24.07.2024 |
| 17. | <i>Thereafter, the Chief Administrative Officer/ Const./ HQ Office/ Kashmere Gate/ Delhi had examined the said case and sought the Legal Opinion again thereon of the Ld. Law Officer /H.Q./ K. Gate</i>                                | 24.07.2024 |
| 18. | <i>File was sent by Law Officer/C / NR/ K. Gate to Chief Law Assistant/ Const./ NR/ K. Gate for further examination and to record legal opinion thereon.</i>                                                                            | 25.07.2024 |
| 19. | <i>After recording the Legal Opinion by Chief Law Assistant/ Const./ NR/ K. Gate, the said file was forwarded to the Law Officer/ H.Q./ K. Gate. for further course of action.</i>                                                      | 25.07.2024 |
| 20. | <i>File sent by Law Officer/ H.Q./ K. Gate. to Chief Administrative Officer/ Const./ HQ Office/ Kashmere Gate/ Delhi for further decision</i>                                                                                           | 25.07.2024 |
| 21. | <i>File sent by Chief Administrative Officer/ Const./ HQ Office/ Kashmere Gate/ Delhi to LO/C after giving approval to challenge the award</i>                                                                                          | 25.07.2024 |

|     |                                                                                                                                                                                                                           |                                 |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 22. | <i>File sent by Law Officer/ H.Q. /K. Gate. to Chief Project Manager/ Construction/ Chandigarh after approval to file appeal</i>                                                                                          | 26.07.2024                      |
| 23. | <i>File sent by Chief Project Manager/ Construction/ Chandigarh to Dy. Chief Engineer/ Construction-II/ Chandigarh for further N.A</i>                                                                                    | 27.07.2024                      |
| 24. | <i>File is now with Dy. Chief Engineer/ Construction-II/ Chandigarh.</i>                                                                                                                                                  | 27.07.2024<br>to – Till<br>Date |
| 25. | <i>Thereafter, the case was filed in the Hon’ble Punjab and Haryana High Court, Chandigarh and after removing the objections the same was refilled and was thereafter registered and listed before the Hon’ble Bench.</i> | 03.10.2024                      |

3. A perusal of the aforesaid would show that the reason for the delay is purely inter-departmental communication at various levels. It is settled law that inter-departmental communication cannot become a ground for condonation of delay as it does not constitute a 'sufficient cause' under Section 5 of the Limitation Act. In addition to the above, when the matter pertains to an arbitration dispute, the aspect of delay has to be seen more carefully by the Court. In the present case, there is a huge delay of 315 days purely because of inter-departmental communication and therefore, the same does not constitute a sufficient cause under Section 5 of the Limitation Act for condonation of delay.

4. Learned counsel for the applicant argued that the applicant has a good case on merits because the Arbitrator was not competent to pass the award. However, the learned counsel for the respondents, who has also filed reply to the present application submitted that the learned Arbitrator was a former Judge of this Court and was appointed under Section 11 of the Act in the presence of the applicant and the said appointment was never challenged

by the applicant which had attained finality and therefore, the aforesaid cannot become a ground for condonation of delay.

5. Learned counsel for the applicant further argued that when the grounds of appeal itself are good enough for acceptance of appeal, then the aspect of delay is to be construed liberally. However, this Court is of the considered view that the aforesaid ground that the learned Arbitrator was not competent is not a good ground for condonation of delay. Even if the aforesaid aspect was not considered by the learned Court while hearing the objections under Section 34 of the Act, the applicant, particularly when it is the Union of India, has to satisfy that there exists a sufficient cause for condonation of such a huge delay of 315 days.

6. Consequently no ground is made out for condonation of delay and therefore, the present application is hereby dismissed.

7. Since the application for condonation of delay has been dismissed, the main appeal is also dismissed.

29.01.2026

*rakesh*

Whether speaking : Yes/No

Whether reportable : Yes/No

(JASGURPREET SINGH PURI)

JUDGE