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

Date of decision: 22.01.2026

+ **O.M.P.(MISC.)(COMM.) 832/2025**

M/S TELEXCELL INFORMATION SYSTEMS LIMITED

.....Petitioner

Through: **Mr. Rizwan, Ms. Sachi Chopra
and Ms. Kriti, Advocates.**

versus

M/S TATA ADVANCED SYSTEMS LIMITEDRespondent

Through: **Mr. Vijay Purohit, Mr. Shivam
Pandey and Mr. Tanmay Arora,
Advocates.**

CORAM:

**HON'BLE MR. JUSTICE HARISH VAIDYANATHAN
SHANKAR**

JUDGEMENT (Oral)

1. The present petition has been filed under Section 29A of the **Arbitration and Conciliation Act, 1996¹**, seeking extension of the mandate of the learned Arbitral Tribunal for a further period of at least six months for making and publishing the arbitral award in Case Ref. No. DIAC/2118/07-18.

BRIEF FACTS:

2. The learned Sole Arbitrator entered reference in the said arbitration in the year 2019, and pleadings were completed. The



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matter thereafter progressed to the stage of evidence.

3. Since the statutory period prescribed under Section 29A of the Act was expiring, the Respondent herein had earlier approached this Court by filing O.M.P.(MISC.)(COMM.) 38/2021, which came to be decided *vide* Order dated 01.02.2021, whereby this Court extended the mandate of the learned Sole Arbitrator up to 01.06.2021, taking note of delays occasioned due to the COVID-19 pandemic.

4. Despite the extension, the arbitral proceedings could not be concluded within the extended period. Subsequently, insolvency proceedings were initiated against the Petitioner under Section 9 of the **Insolvency and Bankruptcy Code, 2016**², culminating in admission of the **Corporate Insolvency Resolution Process**³ by the **National Company Law Tribunal**⁴ in the case bearing IB No.411/ND/2020 on 05.10.2021. A moratorium under Section 14 of the IBC ensued.

5. During the pendency of the CIRP, further progress in the arbitration did not take place. The learned Sole Arbitrator recorded on 22.09.2022 that the mandate under Section 29A of the Act expired, even after accounting for the benefit of limitation extensions granted by the Hon'ble Supreme Court during the pandemic *vide* Order dated 10.01.2022.

6. Thereafter, the Respondent filed another petition under Section 29A of the Act before this Court, being O.M.P.(MISC.)(COMM.) 105/2023, seeking extension of the mandate of the learned Sole Arbitrator.

7. During the pendency of O.M.P.(MISC.)(COMM.) 105/2023,

¹ Act

² IBC

³ CIRP

⁴ NCLT



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the resolution plan in respect of the Petitioner was approved by the NCLT *vide* Order dated 30.05.2023. When the matter came up before this Court on 04.09.2023, the Court recorded the submission that, in view of the approved resolution plan, the continuation of arbitral proceedings was being questioned, and the matter was adjourned to enable the parties to take instructions.

8. Ultimately, on 12.12.2023, O.M.P.(MISC.)(COMM.) 105/2023 was dismissed as withdrawn, without any adjudication on merits and without any finding that the arbitral proceedings stood terminated or abandoned.

9. In the *interregnum*, the arbitral proceedings were listed before the learned Sole Arbitrator on 09.11.2023, where it was observed that once the mandate has expired by efflux of time, it could be revived only by an order of the Court. The learned Arbitrator adjourned the matter in anticipation of appropriate orders from this Court.

10. After the withdrawal of O.M.P.(MISC.)(COMM.) 105/2023, the learned Sole Arbitrator passed an Order dated 22.12.2023, recording that since the mandate had expired and no extension order was in force, the date fixed stood cancelled.

11. Aggrieved by the Order dated 22.12.2023, the Petitioner thereafter approached this Court by filing O.M.P.(T)(COMM.) 11/2024 under Sections 14 and 15 of the Act, seeking substitution of the learned Sole Arbitrator.

12. The said O.M.P.(T)(COMM.) 11/2024 remained pending and was ultimately taken up on 13.08.2025, when this Court permitted the Petitioner to withdraw the same, while expressly granting liberty to file a fresh petition under Section 29A of the Act.



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13. The present petition, O.M.P.(MISC.)(COMM.) 832/2025, has been filed pursuant to the aforesaid liberty.

SUBMISSIONS ON BEHALF OF THE PETITIONER:

14. Learned counsel appearing for the Petitioner submits that the Petitioner has at all times acted diligently and in good faith in pursuing its rights under the arbitration agreement, and that there has been no abandonment or waiver of the arbitral process.

15. He contends that the Order dated 04.09.2023 passed by this Court merely records the prevailing legal position in light of the insolvency proceedings then pending against the Petitioner, and does not constitute any finding that the arbitration stood terminated or that the Petitioner had withdrawn its claims.

16. Learned counsel further submits that there has been no termination of the mandate of the learned Arbitrator within the meaning of Section 32 of the Act, and that what occurred was only an expiry of the mandate by efflux of time, which is curable by recourse to Section 29A of the Act.

17. He further submits that immediately upon the Order dated 22.12.2023 passed by the learned Arbitrator, the Petitioner approached this Court by filing O.M.P.(T)(COMM.) 11/2024, titled *M/s Telexcell Information Systems Ltd. v. M/s Tata Advanced Systems Ltd.*, under Sections 14 and 15 of the Act, seeking substitution of the learned Arbitrator.

18. Learned counsel submits that the said petition remained pending and was ultimately permitted to be withdrawn by this Court on 13.08.2025, with express liberty granted to the Petitioner to file a fresh petition under Section 29-A of the Act. It is therefore contended that



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the present petition has been filed pursuant to, and in accordance with, the liberty so granted by this Court, and arises directly from the aforestated factual matrix.

SUBMISSIONS ON BEHALF OF THE RESPONDENT:

19. **Per contra**, learned counsel for the Respondent submits that the mandate of the learned Sole Arbitrator stood terminated on 22.12.2023, and once the mandate has come to an end, the same cannot be revived by invoking Section 29-A of the Act.

20. He places reliance on the judgments of the Madras High Court in *Sally Thermoplastic India Limited v. Learning Leadership Foundation*⁵ and *Mr. Ramasamy Athappan v. The Secretariat of the Court, International Chamber of Commerce & Ors.*⁶, to contend that once the mandate has ended or arbitration has been waived by conduct, Section 29-A cannot be invoked.

21. It is further submitted that during the arbitral proceedings dated 09.11.2023, the Petitioner had stated that no objection would be taken to the extension of the mandate and that an appropriate statement would be made before this Court. However, when the matter came up before this Court on 12.12.2023 in O.M.P.(MISC.)(COMM.) 105/2023, the said petition was withdrawn without seeking any extension of the mandate.

22. Learned counsel for the Respondent contends that despite the aforesaid statement before the learned Arbitrator, no steps were taken by the Petitioner before this Court to continue the arbitration. It is therefore urged that the conduct of the Petitioner clearly demonstrates

⁵ 2025 MHC 23675

⁶ 2009-3-L.W. 580



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a lack of intent to pursue the arbitral proceedings, and the present petition is an afterthought seeking revival of a mandate that has already expired.

ANALYSIS:

23. This Court has heard learned counsel for the parties at length and has carefully examined the pleadings, the documents placed on record, and the sequence of proceedings before the learned Arbitral Tribunal as well as before this Court.

24. Before proceeding further, it is necessary to note the relevant statutory provision. Section 29-A of the Act prescribes the timeline for making an arbitral award and stipulates the consequences of non-compliance. For clarity, Section 29-A of the Act is reproduced below:

“29-A. 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:

(2) If the award is made within a period of six months from the date the arbitral tribunal enters upon the reference, the arbitral tribunal shall be entitled to receive such amount of additional fees as the parties may agree.

(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:



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Provided also that the arbitrator shall be given an opportunity of being heard before the fees is reduced.]

(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.

(6) While extending the period referred to in sub-section (4), it shall be open to the Court to substitute one or all of the arbitrators and if one or all of the arbitrators are substituted, the arbitral proceedings shall continue from the stage already reached and on the basis of the evidence and material already on record, and the arbitrator(s) appointed under this section shall be deemed to have received the said evidence and material.

(7) In the event of arbitrator(s) being appointed under this section, the arbitral tribunal thus reconstituted shall be deemed to be in continuation of the previously appointed arbitral tribunal.

(8) It shall be open to the Court to impose actual or exemplary costs upon any of the parties under this section.

(9) An application filed under sub-section (5) shall be disposed of by the Court as expeditiously as possible and endeavour shall be made to dispose of the matter within a period of sixty days from the date of service of notice on the opposite party.”

25. The principal objection raised on behalf of the Respondent proceeds on the premise that the arbitral proceedings stood irrevocably terminated on 22.12.2023 and, therefore, no extension under Section 29-A of the Act is either permissible or maintainable. This objection, in the considered view of this Court, is founded on an incorrect appreciation of both the factual matrix and the settled position of law.

26. On a perusal of the Order dated 22.12.2023, it is evident that the learned Sole Arbitrator merely recorded the expiry of the mandate by efflux of time and cancellation of further hearings. The said order does not record the withdrawal of claims by the Petitioner nor any finding that continuation of the arbitral proceedings had become unnecessary or impossible. Consequently, the said order cannot be construed as a termination of arbitral proceedings under Section 32 of the Act.

27. This Court is of the view that there is no judgment of the

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Hon'ble Supreme Court or of this Court which lays down as an absolute proposition that once the mandate of the Arbitral Tribunal has expired by efflux of time, the same cannot be extended under Section 29-A of the Act. On the contrary, the legal position now stands clarified that the Court retains jurisdiction to extend the mandate even after expiry, provided sufficient cause is shown.

28. This Court also derives guidance from the Judgment of the Hon'ble Supreme Court in ***Rohan Builders (India) Pvt. Ltd. v. Berger Paints India Ltd.***⁷, wherein the Court has examined Section 29-A in detail and clarified its scope, ambit, and mandate thereof. The Hon'ble Supreme Court in ***Rohan Builders (supra)*** has held that an Application for extension of mandate under Section 29A(4) read with 29A(5) is maintainable even after the expiry of the 12-month or 6-month extended period. The statute also provides that the Court may extend the time “*either prior to or after the expiry of the period so specified*”, the relevant paragraphs of ***Rohan Builders (supra)*** read as under:

“19. ***Rohan Builders [Rohan Builders (India) (P) Ltd. v. Berger Paints India Ltd., 2023 SCC OnLine Cal 2645]*** highlights that an interpretation allowing an extension application post the expiry period would encourage rogue litigants and render the timeline for making the award inconsequential. However, it is apposite to note that under Section 29-A(5), the power of the court to extend the time is to be exercised only in cases where there is sufficient cause for such extension. Such extension is not granted mechanically on filing of the application. The judicial discretion of the court in terms of the enactment acts as a deterrent against any party abusing the process of law or espousing a frivolous or vexatious application. Further, the court can impose terms and conditions while granting an extension. Delay, even on the part of the Arbitral Tribunal, is not countenanced. [***H.P. Singh v. Northern Railways, 2023 SCC OnLine J&K 1255***] The first proviso to Section 29-A(4) permits a fee reduction of up to five per cent for each month of

⁷ 2024 SCC OnLine SC 2494



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delay attributable to the Arbitral Tribunal.

22. While interpreting a statute, we must strive to give meaningful life to an enactment or rule and avoid cadaveric consequences that result in unworkable or impracticable scenarios. An interpretation which produces an unreasonable result is not to be imputed to a statute if there is some other equally possible construction which is acceptable, practical and pragmatic.

23. 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 twelvemonth 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 19 of the judgment.”

29. Now turning to scrutinise the precedents which have been cited by the Respondent.

30. In *Sally Thermoplastic India Limited (supra)*, the High Court of Madras was dealing with a situation where the learned Arbitrator had expressly conveyed his unwillingness to continue with the arbitral proceedings and sought to be substituted. The said decision turned on the arbitrator’s own refusal to proceed and not merely on the expiry of the mandate by efflux of time. The said factual element is conspicuously absent in the present case.

31. Similarly, in *Mr. Ramasamy Athappan (supra)*, the Court found that despite the existence of an arbitration clause, the parties had consciously elected to litigate their disputes before multiple fora, thereby demonstrating a clear disinclination to pursue Arbitration and held that the same displays an intent to abandon the arbitral mechanism.

32. It was in those circumstances that the Court concluded that the parties had waived the arbitration agreement by their conduct. The present case stands on a fundamentally different footing, as there is no



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material to suggest any conscious or deliberate abandonment of arbitration by the Petitioner.

33. On the contrary, the record demonstrates that the arbitration proceedings were derailed primarily due to supervening circumstances, namely the COVID-19 pandemic, the initiation of CIRP against the Petitioner, and the consequent statutory moratorium, followed by procedural complications arising from the expiry of the mandate.

34. In the present matter, this Court does not find any material to conclude that the Petitioner acted with *mala fides* or with an intent to stall or abuse the arbitral process. While the petition under Sections 14 and 15 of the Act may not have been the most appropriate remedy, the filing of the same cannot, by itself, be construed as evidence of abandonment or lack of diligence.

35. It is also relevant to note that both parties are *ad idem* that the pleadings in the arbitration stand completed and that the matter has reached the stage of evidence. In such circumstances, the interests of justice would be better served by facilitating the continuation and culmination of the arbitral proceedings rather than relegating the parties to a fresh round of litigation.

36. Needless to state, all rights and contentions of the parties on merits are left open, and the parties shall be at liberty to raise all permissible objections and submissions before the learned Arbitral Tribunal in accordance with law.

CONCLUSION:

37. In view of the foregoing discussion, the present petition is allowed. The mandate of the learned Sole Arbitrator in Case Ref. No.



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DIAC/2118/07-18 is extended for a further period of six months from today for the purpose of making/ passing the arbitral award.

38. Further, the period from 22.12.2023 till the date of this order shall stand regularised for the purposes of Section 29A of the Act.

39. Accordingly, the present Petition, along with pending application(s), if any, is disposed of in the aforesaid terms.

HARISH VAIDYANATHAN SHANKAR, J.
JANUARY 22, 2026/v/kr

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