



2025:DHC:6841



\$~83

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

+ CM(M) 1502/2025 & CM APPL. 49453-49454/2025

**POWERGRID CORPORATION OF INDIA LTD** .....Petitioner

Through: Mr. Jayant Mehta, Senior Advocate  
with Mr. Apoorv P. Tripathi, Mr.  
Sanam Tripathi, Ms. Anjali Kaushik  
and Mr. Apaan Mittal, Advocates.

Versus

**RANJIT SINGH AND CO. LLP**

.....Respondent

Through: None.

**CORAM:**

**HON'BLE MR. JUSTICE MANOJ JAIN**

**ORDER**

**12.08.2025**

%

1. Petitioner is defending Arbitral proceedings and is aggrieved by order dated 11.06.2025 whereby their application moved under Section 16 of Arbitration and Conciliation Act, 1996 has been dismissed.
2. The point involved is short and precise.
3. According to learned Senior Counsel for petitioner i.e. non-claimant, learned Arbitral Tribunal does not possess any jurisdiction to adjudicate the claim in question as the matter has already attained finality and the same very issue cannot be permitted to be re-opened.
4. It is apprised that respondent i.e. claimant had raised five claims against them, of which Claim Nos. 2 to 5 were rejected by the learned Arbitral Tribunal.
5. The claimant never raised any grievance with respect to rejection of Claim Nos. 2 to 5.
6. Claim No.1 had been, however, partly allowed and an amount of Rs.2,42,17,988/- was awarded against the non-claimant.
7. Qua said Claim No.1, which had been partly allowed by the learned Arbitral Tribunal, non-claimant filed a petition under Section 34 of Arbitration



2025:DHC:6841



and Conciliation Act, 1996, which was allowed by the learned Coordinate Bench of this Court *vide* order dated 07.08.2024 passed in OMP(COMM.) 134/2023. Learned Single Judge, while dealing with the abovesaid petition under Section 34 of Arbitration and Conciliation Act, 1996, observed that the Tribunal had proceeded on the premise that no voucher or details or any other material supporting the respondent's claim were available and, therefore, the question was whether in absence of any such material, any compensation could have been awarded to the claimant.

8. As per Award, compensation was granted based on the *doctrine of justice, equity, good conscience and fair practice* and *vide* order dated 07.08.2024, the learned Single Judge, clearly, observed that there was express proscription in this regard and, therefore, the abovesaid claim i.e. Claim No.1 could not have been allowed, without there being any supporting material. Observing that the claim had been awarded purely on estimate and based on the *doctrine of justice, equity, good conscience and fair practice* which was impermissible, the impugned order with respect to Claim No.1 was set aside, being unsustainable.

9. The abovesaid order has attained finality.

10. The claimant has, however, reportedly, filed fresh claim with respect to same Claim No.1.

11. When an objection in this regard was taken before the learned Arbitral Tribunal, application of the non-claimant has been dismissed, holding that the claim was not barred. It also observed that since the award had been annulled and Claim No.1 had been set aside, the parties got relegated to their original position with respect to such claim. Relying on *Dakshin Haryana Bijli Vitran Nigam Limited vs. Navigant Technologies Private Limited: AIR 2021 SC 2493*, it was observed that the annulment would not resolve the dispute but would



merely void the award, thereby permitting fresh adjudication.

12. Learned Senior Counsel contends that the abovesaid judgment is not applicable to the case in hand.

13. Quite clearly, the order dated 07.08.2024 would indicate that after careful appreciation of the matter, learned Coordinate Bench of this Court came to conclusion that when there was no supporting material placed on record by the claimant, Claim No.1 could not have been awarded, merely, on the basis of *doctrine of justice, equity, good conscience and fair practice* and on the basis of some estimation.

14. The claim has not been upset on the ground of any jurisdictional aspect which may necessitate any fresh lodging of the claim.

15. It has rather been set aside, for lack of evidence and being completely arbitrary.

16. Said order dated 07.08.2025, *inter alia*, records as under:-

*“32. The question of passing an award on the basis of estimates cannot arise where the Tribunal finds, on facts, that there is no evidence in support of the claim. If a claim is unsupported by evidence, it has to be rejected. The learned Arbitral Tribunal cannot, after finding that no supportive evidence had been led by the claimant, nonetheless proceed to award the claim, or any part thereof. Such an order is manifestly perverse and is also opposed to the fundamental policy of Indian law, which does not permit claims in commercial matters to be allowed in the absence of any supportive evidence. The order is also resultantly patently illegal even on that score.*

.....

*34. In the present case, however, the learned Arbitral Tribunal has, after finding that there is no evidence produced in favour of the respondent's claim, nonetheless proceeded to award the claim, albeit in part. In such a case, the Court would be acting in breach of its judicial obligation if it allows such an award to remain, untouched.*

.....

*36. In fact, if one reads the table in para 33 of the impugned award holistically, it appears that the learned Arbitral Tribunal has proceeded on the premise that the only evidence available with him is*



2025:DHC:6841



*in the form of letters written to the petitioner in connection with Claim 1(b). While advertng to the said letters, there is not even a whisper of an allusion to any other evidence placed by the respondent on record before the learned Arbitral Tribunal. This remark, therefore, underscores the fact that the learned Arbitral Tribunal has, for all the claims, either awarded 100% or 50% in a pure rule of thumb manner. The impugned Award is, thereby, rendered completely arbitrary, in law.”*

17. Thus, question is whether when the Award had been set aside in backdrop of such specific and unambiguous observations, fresh claim is entertainable or not?

18. The question goes to the root of jurisdiction, manifestly.

19. Issue notice to respondent through all permissible modes, returnable on 08.10.2025. Notice be also issued through counsel.

20. In the interregnum, learned Arbitral Tribunal is also requested to defer the proceedings to a date subsequent to the one given by this Court.

21. However, without prejudice to its rights and contentions and to obviate any unwarranted complication, the petitioner shall file its *Statement of Defence* (SoD) within stipulated time before the learned Arbitral Tribunal.

22. Be shown in Supplementary List.

**MANOJ JAIN, J**

**AUGUST 12, 2025/ss/js**