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

Date of decision: 06.02.2026

+ **O.M.P.(MISC.)(COMM.) 1026/2025**

AFFLE 3I LIMITED

.....Petitioner

Through: **Mr. Abhishek Ghai, Advocate**

versus

TALENT UNLIMITED ONLINE SERVICES PRIVATE LIMITED

.....Respondent

Through: **Mr. Manik Dogra, Senior Advocate with Mr. Nikhil Singhvi, Mr. Sandeep Devashish Das, Ms. Anandini Kumari Rathore, Mr. Arijeet Bhattacharjee and Mr. Lokesh Kumar, Advocates**

CORAM:

HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

JUDGEMENT (Oral)

1. The present petition has been filed under Section 29A(4) & (5) of the **Arbitration and Conciliation Act, 1996**¹, seeking extension of the mandate of the learned Arbitral Tribunal for a further period of one year, i.e. till 15.12.2026.

2. The material on record indicates that the parties entered into a **Global Monetization Partnership Agreement dated 07.08.2020**². Subsequently, since disputes arose between the parties, the Petitioner filed a section 9 petition under the A&C Act, wherein the court *vide*

¹ Act

² Agreement



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Order dated 15.02.2023, with the consent of both the parties, appointed a Sole Arbitrator to adjudicate upon the disputes *inter se* the parties herein.

3. Thereafter, aggrieved by the Order dated 15.02.2023 passed by the learned Single Judge in the petition filed under Section 9 of the A&C Act, 1996, the Respondent preferred FAO(OS)(COMM) 41/2023 before the Division Bench of this Court.

4. *Vide* Order dated 28.02.2023 passed in FAO(OS)(COMM) 41/2023, the Division Bench of this Court, disposed of the said appeal with a request to the learned Arbitral Tribunal to treat the petition filed under Section 9 of the Act as an application under Section 17 thereof.

5. The learned Arbitrator entered into reference, and a preliminary hearing was held on 04.03.2023. The pleadings are stated to have been completed on 15.06.2024, and thus mandate for twelve months continued till 15.06.2025. Thereafter, upon the consent of the parties, the mandate of the learned Arbitrator was extended for a period of six months.

6. The material on record further indicates that the mandate of the learned arbitrator expired on 15.12.2025, and in view of the same, the Petitioner has filed the present petition.

7. This Court has heard the learned counsel of the parties and perused the record of the present petition.

8. 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:

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.”

9. This Court derives guidance from the judgment of the Hon’ble



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Supreme Court in ***Rohan Builders (India) Pvt. Ltd. v. Berger Paints India Ltd.***³, wherein the Court has examined Section 29A 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 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

³ 2024 SCC OnLine SC 2494



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applications will be guided by the principle of sufficient cause and our observations in paragraph 19 of the judgment.”

10. In the present case, the chronology of events reveals that the parties have been bitterly contesting the arbitral proceedings before the learned Arbitrator. It is evident from the record that even the Statement of Claim came to be filed belatedly, primarily owing to serious preliminary objections raised by the Respondent. The same stands duly recorded in the Order dated 15.02.2024, passed by the learned Arbitrator.

11. One of the principal objections presently urged by the learned Senior Counsel for the Respondent pertains to the alleged belated filing of the Statement of Claim. However, in the opinion of this Court, the said contention glosses over the fact that the delay was occasioned due to substantial objections raised by the Respondent, which required adjudication and ultimately culminated in the passing of the Order dated 15.02.2024.

12. It was only thereafter that the Statement of Claim could be filed, which was nearly a year after the reference to the learned Arbitrator. Subsequently, the Respondent filed its Statement of Defence. The record further reflects that multiple applications were filed by the parties, all of which required consideration by the learned Arbitrator. Notably, the Respondent had also filed an application under Section 16 of the Act, insisting that the same be adjudicated prior to the proceedings being carried forward.

13. The submission of the learned Senior Counsel for the Respondent that the delay is attributable to the learned Arbitrator stands belied by the record, particularly in view of the manner in which the proceedings have been contested by the parties. The further



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ground urged by the Respondent relates to a “*delicate issue concerning the alleged incorrect recording of proceedings in the orders dated 13.09.2025 and 28.10.2025*”. These constituted the principal contentions advanced on behalf of the Respondent.

14. As regards the allegation of incorrect recording of proceedings, even assuming that the Respondent had lost confidence in the manner in which the learned Arbitrator conducted the proceedings, the Respondent had, at all material times, the option of availing appropriate remedies under the Act, including seeking substitution of the learned Arbitrator, which it consciously chose not to pursue.

15. It is only in the present petition seeking extension of the mandate that such objections have been raised. Learned Senior Counsel for the Respondent further submitted that this Court, while exercising powers under Section 29A, could, relying upon the judgment of the Hon’ble Supreme Court in ***Mohan Lal Fatehpuria v. M/S Bharat Textiles and Ors.***⁴, substitute the learned Arbitrator while extending the mandate.

16. This Court is of the view that while there is no quarrel with the legal principle enunciated in the aforesaid judgment and that the remedies under Sections 14 and 15 of the Act for substitution are independent of the remedy under Section 29(A)(6). In the facts of the present case, the objections raised do not disclose any compelling ground warranting the substitution of the learned Arbitrator. In addition, if the Respondent had felt so strongly and believed itself so severely affected by the same, they could have availed their rights within a reasonable period of time. The arbitral proceedings have

⁴ 2025 SCC OnLine SC 2754



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continued for a considerable period, during which both parties have chosen to file multiple applications, thereby contributing to the length of the proceedings.

17. This Court finds no fault on the part of the learned Arbitrator for the protracted duration of the proceedings. As observed earlier, if the Respondent genuinely believed that incorrect recording of proceedings had eroded its confidence in the learned Arbitrator, it was always open to it to invoke appropriate remedies under the Act. In any event, the Act contemplates that such grievances, if any, may be raised at the relevant stage and the Respondent is certainly not remediless. No other objections apart from the two articulated and as recorded in the order were pressed into service.

18. In view of the aforesaid discussion, this Court is of the opinion that the mandate of the learned Arbitrator deserves to be extended. Accordingly, the mandate is extended for a further period of six months from today. The learned Arbitrator is requested to endeavour to conclude the proceedings expeditiously. Accordingly, the period from the expiry of the earlier mandate till date shall stand regularised.

19. It is clarified that the observations made herein are confined solely to the adjudication of the present petition and shall not preclude the learned Arbitrator from independently considering and deciding any objections that may be raised in the course of the arbitral proceedings.

20. Accordingly, the present petition, along with pending application(s), if any, stands disposed of in the aforesaid terms.

HARISH VAIDYANATHAN SHANKAR, J.
FEBRUARY 6, 2026/rk/kr/jk