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

**Date of Decision: 10.02.2026**

+ O.M.P. (T) (COMM.) 116/2025

SOPAN PROJECTS .....Petitioner

Through: Mr. Seshagiri Vadlamani, Mr. Siddharth Sachar and Ms. Ananya Kukreti, Advocates.

versus

GREAT EASTERN ENERGY CORPORATION LIMITED

.....Respondent

Through: Mr. Aseem Chaturvedi, Mr. Shivank Diddi and Mr. Anuj Shrothriya, Advocates.

**CORAM:**

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

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**JUDGEMENT (ORAL)**

1. The present Petition has been instituted under Section 15(2) of the **Arbitration and Conciliation Act, 1996**<sup>1</sup>, seeking substitution of the learned Arbitrator. The relief is necessitated on account of the termination of the Arbitrator's mandate pursuant to the Order dated 24.04.2025 passed by Co-ordinate Bench of this Court in O.M.P.(T)(COMM.) 102/2023 „*Great Eastern Energy Corporation Limited vs. Sopan Projects*“.

2. At the outset, learned counsel appearing on behalf of the Respondent has raised a preliminary objection to the maintainability of the present Petition.

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<sup>1</sup> Act



3. It is contended that since the mandate of the learned Arbitrator stood terminated by the Co-ordinate Bench, such termination would amount to termination of the arbitral proceedings under Section 32 of the Act. On that premise, it is urged that a Petition under Section 15 of the Act would not be maintainable.

4. Elaborating further, learned counsel for the Respondent submits that the parties would be required to recommence the entire arbitral process afresh, beginning with the issuance of a Notice invoking arbitration under Section 21 of the Act, followed by the filing of a petition under Section 11 of the Act, if required, for appointment of an Arbitrator, and only thereafter could a fresh Arbitrator be appointed.

5. This Court has heard the learned counsel appearing on behalf of the respective parties and has carefully perused the material documents placed on record.

6. This Court is unable to accept the aforesaid submission, which, in its considered view, is misconceived and unsustainable in law.

7. Section 15 of the Act, which deals specifically with termination of mandate and substitution of an Arbitrator, provides as follows:

**“15. Termination of mandate and substitution of arbitrator.—**

(1) In addition to the circumstances referred to in Section 13 or Section 14, the mandate of an arbitrator shall terminate—

- (a) where he withdraws from office for any reason; or
- (b) by or pursuant to agreement of the parties.

(2) Where the mandate of an arbitrator terminates, a substitute arbitrator shall be appointed according to the rules that were applicable to the appointment of the arbitrator being replaced.

.....”

8. A plain reading of the aforesaid provision makes it manifest that upon termination of the mandate of an Arbitrator, including a termination referable to Section 14 of the Act, the statutory



consequence that follows is the appointment of a substitute Arbitrator in accordance with the procedure applicable to the original appointment. The legislative scheme does not contemplate a recommencement of the arbitral process from inception. Consequently, what is required in such circumstances is recourse to Section 15(2) of the Act for substitution of the Arbitrator, and not a fresh invocation of arbitration under Section 21 of the Act followed by proceedings under Section 11, if required, as contended on behalf of the Respondent.

9. This Court is guided by the recent judgment of the Hon'ble Supreme Court in *Harshbir Singh Pannu v. Jaswinder Singh*<sup>2</sup>, wherein it has been authoritatively held that where the mandate of an Arbitrator stands terminated, the remedy available to a party is not to recommence the entire arbitral process afresh, including the filing of a fresh petition under Section 11 of the Act.

10. In the said decision, the Hon'ble Supreme Court undertook a comprehensive examination of the statutory scheme of the Act, including the various provisions under which termination of mandate or proceedings may occur. The Apex Court also considered the relevant precedents on the issue and clarified that the legislative intent does not contemplate restarting arbitral proceedings from inception in every case of termination. Instead, the Act provides a structured mechanism for the substitution of the Arbitrator and continuation of proceedings in accordance with the law.

11. The concluding portion of *Harshbir Singh Pannu* (*supra*) elaborately explains the scheme of the Act. Even if the objection

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<sup>2</sup> 2025 SCC OnLine SC 2742



raised by the Respondent is accepted at face value, *namely*, that the termination in question is referable to Section 32 of the Act, the said judgment clarifies that such termination does not, *per se*, require that the arbitral proceedings must recommence afresh. In this regard, the relevant extract from the said Judgement reads as follows:

**“A. Summary of our legal discussion.**

**415.** A conspectus of our legal discussion is as under: -

- (I)** Section 32 of the Act, 1996 is exhaustive and covers all cases of termination of arbitral proceedings under the Act, 1996. The power of the arbitral tribunal to pass an order to terminate the proceedings under the scheme of the Act, 1996 lies only in Section 32(2).
- (II)** Sections 25, 30 and 38 of the Act, 1996 respectively, only denote the circumstances in which the tribunal would be empowered to take recourse to Section 32(2) and thereby, terminate the proceedings.
- (III)** The use of the expression “*the mandate of the Arbitral Tribunal shall terminate*” in Section 32 of the Act, 1996 and its omission in Section(s) 25, 30 and 38 of the said Act, cannot be construed to mean that the nature of termination under Section 32(2) is distinct from a termination under the other aforesaid provisions of the Act, 1996.
- (IV)** The expression “*mandate of the Arbitral Tribunal*” is merely descriptive of the function entrusted to the tribunal, namely, the authority and duty to adjudicate the disputes before it. It refers to the obligation of the arbitral tribunal to administer the arbitration by conducting the proceedings in order to adjudicate upon the disputes referred to it.
- (V)** Irrespective of whether the proceedings are terminated on account of the passing of a final award, or by the withdrawal of claims, or on account of default by the claimant, or the intervention of any impossibility in the continuation of the proceedings, the legal effect remains the same, inasmuch as the arbitral tribunal thereafter stands divested of its authority to act in the reference.
- (VI)** The common thread that runs across Sections 25, 30, 32 and 38 of the Act, 1996 respectively is that although the arbitral proceedings may get terminated for varied reasons, yet the consequence of such termination remains the same i.e., the arbitral reference stands concluded and the authority of the tribunal stands extinguished.
- (VII)** There is a clear distinction between a procedural review and a review on merits. The arbitral tribunal possesses the inherent procedural power to recall an order terminating the



proceedings as such power is merely to correct an error apparent on the face of the record or to address a material fact that was overlooked. It does not tantamount to revisiting the findings of law or reappreciating the substantive issues already decided.

**(VIII)** Where an arbitral tribunal passes an order for terminating the proceedings under the Act, 1996, the appropriate remedy available to the parties would be to first file an application for recall of such order before the arbitral tribunal itself. The arbitral tribunal would then in turn be required to examine whether the order does or does not deserve to be recalled.

**(IX)** If a favourable order is passed for recommencing arbitration proceedings, the only option available to a party aggrieved therefrom, would be to participate in the proceedings and thereafter, challenge the final award under Section 34 of the Act, 1996.

**(X)** If, however, the recall application is dismissed, the party aggrieved therefrom, would be empowered to approach the court under Section 14(2) of the Act, 1996. The court would then in turn examine whether the mandate of the arbitrator stood legally terminated or not. If it finds that the proceedings were not terminated in accordance with the law, it would be empowered to either set-aside the order of termination of proceedings and remand the matter to the arbitral tribunal, or, if the circumstances so require, proceed to appoint a substitute arbitrator in terms of Section 15 of the Act, 1996.”

12. At this stage, it is also pertinent to note that the Petitioner, prior to filing this petition, had earlier filed a Petition under Section 11 of the Act, being ARB.P. 1468/2025 titled „*Sopan Projects vs. Great Eastern Energy Corporation Limited*“; seeking appointment of an Arbitrator. The said petition came to be withdrawn *vide* Order dated 06.11.2025 in the following terms:

“1. Learned counsel for the petitioner seeks to withdraw the present petition with liberty to file a petition under Section 15 of the Arbitration and Conciliation Act, 1996.

2. Hence, the present petition is dismissed as withdraw, with liberty to the petitioner to file a petition under Section 15 of the Arbitration and Conciliation Act, 1996.”

13. A plain reading of the aforesaid Order makes it abundantly clear



that this Court expressly granted liberty to the Petitioner to institute the present Petition under Section 15 of the Act. At that stage, no objection appears to have been raised by the Respondent to the grant of such liberty, nor was the said Order assailed or questioned in accordance with law.

14. In the aforesaid circumstances, the objection raised by the Respondent at this stage regarding the maintainability of the present Petition is further found to be wholly misconceived and legally untenable.

15. In view of the foregoing, this Court is of the opinion that the disputes between the parties ought to be referred to arbitration by the appointment of a substitute Arbitrator.

16. For the said purpose, this Court requests (**Hon'ble Ms. Justice Asha Menon (e-mail : [REDACTED] and Mob. No. [REDACTED]**) to enter into the reference and adjudicate the disputes between the parties.

17. The learned Sole Arbitrator may proceed with the arbitration proceedings, subject to furnishing to the parties the requisite disclosures as required under Section 12(2) of the Act within a week of entering the reference.

18. The learned Sole Arbitrator shall be entitled to fees in accordance with the law.

19. The parties shall share the learned sole Arbitrator's fee and arbitral costs equally.

20. All rights and contentions of the parties are kept open and shall be adjudicated by the learned Sole Arbitrator on their own merits, in accordance with law.



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21. Needless to state, nothing in this order shall be construed as an expression of opinion of this Court on the merits of the controversy. All rights and contentions of the parties in this regard are reserved.
22. The Registry is directed to send a receipt of this order to the learned Arbitrator through all permissible modes, including through e-mail.
23. Accordingly, the present Petition, along with all pending Application(s), if any, is disposed of in the aforesaid terms.

**HARISH VAIDYANATHAN SHANKAR, J**  
**FEBRUARY 10, 2026/nd/va**