



2026:DHC:4903



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

Date of decision: 29.05.2026

+ O.M.P.(MISC.)(COMM.) 434/2026 & I.A. 15654/2026 (EX.)

AHLUWALIA CONTRACTS (INDIA) LTDPetitioner

Through: Mr. Sunil Mund, Mr.
Chandrashekhar Padhi and Mr.
Vedant Mund, Advs.

versus

DELHI AGRICULTURAL MARKETING BOARD

.....Respondent

Through: Mrs. Avnish Ahlawat, Standing
Counsel, DAMB with Ms.
Aliza Alam, Mr. Mohnish
Sehrawat, Mr. Uday Singh
Ahlawat, Ms. Tania Ahlawat
and Mr. Nitish Kumar Singh,
Advs.

CORAM:

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

JUDGEMENT (Oral)

1. The present Petition, under Sections 29(A) (4) and (5) of the **Arbitration and Conciliation Act, 1996**¹, has been filed seeking extension of the mandate of the learned Sole Arbitrator, appointed *vide* Order dated 17.01.2023, in case being ARB.P. 654/2022, up to 10.05.2027.

2. Material on record indicates that the parties entered into a

¹ Act



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Letter of Commencement dated 13.09.2019². Subsequently, since disputes arose between the parties, the Petitioner invoked Arbitration as per the terms of the Agreement and thereafter preferred a Petition under Section 11 of the Act before this Court.

3. Accordingly, it is submitted that *vide* Order dated 17.01.2023, a learned Sole Arbitrator was appointed. Subsequently, the pleadings were completed on 25.07.2024. Thereafter, evidence has been led by the parties, and presently, the arbitral proceedings are at the stage of final arguments.

4. In terms of Section 29A(1) of the Act, the arbitral award was required to be rendered within the statutorily prescribed period. Upon expiry thereof, the parties approached this Court earlier by way of O.M.P. (Misc.) (Comm.) No. 183/2025.

5. This Court, *vide* Order dated 28.02.2025, extended the mandate of the learned Sole Arbitrator till 31.10.2025.

6. It is stated that despite the said extension, the arbitral proceedings are still at the stage of final arguments and in view thereof, it is prayed that the mandate be extended till 10.05.2027.

7. Learned counsel for the Respondent, who is appearing on advance service, on instructions submits that he has no objection to the relief as sought in the present Petition.

8. This Court has heard learned counsel for both parties and perused the record of the present Petition.

9. This Court is of the view that, in the interest of justice, to ensure continuity and consistency, and since both the parties are *ad idem* for the said extension, there is no impediment in the grant of relief as

² Agreement



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sought for.

10. At this juncture, it is apposite 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.



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(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.”

11. The Hon’ble Supreme Court, in *Rohan Builders (India) Private Limited v. Berger Paints India Limited*³, examined Section 29-A in detail and clarified its scope, ambit, and mandate thereof.

12. In view of the foregoing discussion, the law laid down by the Hon’ble Supreme Court and the facts of the present case, this Court is of the considered opinion that the present Petition ought to be allowed.

13. Accordingly, the mandate of the learned Sole Arbitrator is extended for a further period of twelve months, i.e., till 31.05.2027. Further, the period from 31.10.2025 till the date of this order also stands regularised.

14. Accordingly, the present Petition, along with pending Application(s), if any, stand disposed of.

HARISH VAIDYANATHAN SHANKAR, J.
MAY 29, 2026/rk/jk

³ 2024 SCC OnLine SC 2494