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

\# **CNR No. DLHC010375282026**

\+ ARB. A. (COMM.) 59/2026 & I.A. 28123/2026

NATIONAL HIGHWAY INFRASTRUCTURE DEVELOPMENT CORPORATION LTD .....Petitioner

Through: Mr. Avneesh Garg, Harsh Pal, Utkarsh Sharma, Siddhanta Roy, Advs.

versus

SAI GR IMPEX PVT LTD .....Respondent

Through: Mr. Sanjoy Ghose, AOR Mr. Anshul Gupta, Mr. Rishabh Darira, Mr. Mohit Garg, Advs.

CORAM:
HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT(ORAL)

% 20.11.2026

1. This Court, *vide* its order dated 14.08.2026, recorded as follows:-

> *1. The present appeal has been filed under Section 37(2)(b) of the Arbitration and Conciliation Act, 1996[1] assailing the order dated 24.03.2026 passed by the learned Sole Arbitrator under Section 17 of the Act.*
>
> *2. By the impugned order, the learned Arbitrator granted interim protection to the Respondent/Contractor by staying the operation and effect of the debarment order dated 13.11.2025 issued by the Appellant.*
>
> *3. The facts of the case would reveal that the Appellant was awarded a project for construction of landslide protection gallery and associated work relating to NH-34 at Bareti, Uttarkashi, Uttarakhand.*
>
> *4. A formal EPC agreement to that effect was executed on 21.08.2020 for a value of Rs.28.3 crores.*

[1] "the Act", hereinafter

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5. The Respondent in pursuance of the obligations of contract submitted two bank guarantees amounting to Rs.28.33 lakhs each.

6. Thereafter, Respondent was issued a completion certificate with respect to the construction of land slide protection gallery.

7. It is the case of the Appellant that the Respondent was obliged to maintain the project for a period of five years from the commencement of the date of completion certificate and in return, the Appellant was liable to pay some maintenance cost.

8. It is further alleged that during the monsoon of 2023, a landslide occurred, consequently the Respondent was asked to do rectification work.

9. However, the Respondent maintained a stance that the rectification work was beyond the scope of work awarded to him. Anyhow, the Respondent under protest carried out the repair work between August and December 2023.

10. Disputes further arose as the Respondent was issued a show cause notice with the intention to terminate and debar them from future contract, alleging that they have not duly done the maintenance work.

11. Consequently, the Respondent invoked arbitration clause and filed a Section 9 petition before this Court.

12. This Court on 19.09.2025 passed an order directing no coercive action against the Respondent and, thereafter on 08.10.2025 directed the Section 9 to be converted as Section 17.

13. In furtherance of this, the Respondent filed a Section 17 application before the Tribunal, whereby the Tribunal vide order dated 24.03.2026 granted stay on the operation of the debarment order dated 13.11.2025.

14. The learned Arbitrator prima facie observed that the work for rectification of valley slide slope was outside the purview of the scope of the work awarded to the Respondent and also took into account the completion certificate given by the Appellant to the Respondent.

15. In view of the above, issue notice.

16. Notice is accepted on behalf of the Respondent by Mr.

Anshul Gupta, Advocate.

17. Learned Senior Counsel appearing for the Respondent has raised some preliminary objections about the delay in filing the present appeal.

18. Reply be filed within four weeks. Rejoinder thereto, if any, be filed within two weeks thereafter.

19. List on 09.10.2026.

20. At this stage, learned Counsel appearing for the Appellant seeks permission of this Court to file some additional documents. He is permitted to do so.

2. Learned Senior Counsel for the Respondent objects to the maintainability of the present appeal on the ground that the same is barred by limitation.

3. It is submitted that the prescribed period of limitation for preferring an appeal under Section 37(2)(b) of the Arbitration and Conciliation Act, 1996[2], read with Section 13(1A) of the Commercial Courts Act, 2015, is 60 days.

4. A perusal of the record reveals that the impugned order was passed by the learned Sole Arbitrator on 24.03.2026 and was communicated to the parties *vide* email dated 25.03.2026.

5. The date of initial filing of the present appeal is 30.06.2026. Thus, a period of 98 days had elapsed from the date of passing of the impugned order, resulting in a delay of 38 days beyond the prescribed period of limitation.

[2] "Act" hereinafter

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6. Having said that, the law governing condonation of delay in commercial matters is no longer *res integra*.

7. The Hon'ble Supreme Court in ***Government of Maharashtra v. Borse Brothers Engineers & Contractors Pvt. Ltd.***[3], and the Division Bench of this Court in ***Casablanca Apparels Pvt. Ltd. v. Polo/Lauren Company L.P.***[4], have categorically held that condonation of delay in such matters is to be granted by way of exception and not as a matter of rule.

8. Learned Counsel for the appellant highlights para 2 of its application. However, the explanation furnished by the Appellant pertains to obtaining administrative formalities i.e. legal opinion, seeking factual clarifications from the concerned Project Management Unit, finalisation of the draft appeal.

9. Though a broad chronology of events has been set out, the application is bereft of material particulars explaining why the aforesaid exercise could not have been completed within the prescribed period of limitation.

10. The Appellant is required to demonstrate sufficient cause for condonation of the delay in accordance with the principles laid down in ***Borse Brothers*** (supra). However, the explanation furnished does not satisfy the threshold of sufficient cause. Additionally, the

[3] (2021) 6 SCC 460
[4] 2025 SCC OnLine Del 5191

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application does not demonstrate the requisite diligence on the part of the Appellant.

11. Thus, explanation furnished by the appellant in the facts of the present case, does not constitute sufficient cause warranting condonation of delay and tested on the anvil of the aforesaid settled principles of law, this Court finds that the Appellant has failed to demonstrate sufficient cause warranting condonation of delay in filing the present appeal.

12. Accordingly, the present appeal, being barred by limitation, stands dismissed along with all pending applications, if any.

OM PRAKASH SHUKLA, J

NOVEMBER 20, 2026/at

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