



\$~J

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

Judgment reserved on: 10.10.2025

Judgment pronounced on: 14.01.2026

+ O.M.P. (MISC.) (COMM.) 592/2025

NCC LIMITED

...Petitioner

Through: Dr. Amit George,
Mr. Adhishwar Suri,
Mr. Dusyant Kishan Kaul,
Ms. Ibansara Syiemlieh,
Ms. Rupam Jha, Advocates.

versus

INDIAN OIL CORPORATION LIMITED

...Respondent

Through: Mr. VN Koura,
Ms. Paramjeet Benipal,
Advocates.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

J U D G M E N T

1. This is a petition filed under section 29A(4) read with 29A(5) of the Arbitration and Conciliation Act, 1996 (*"the Act"*), seeking extension of the mandate of the Sole Arbitrator for a period of one year for concluding the arbitral proceedings and passing the arbitral award.

FACTUAL MATRIX AS PER THE PETITIONER



2. The petitioner, namely NCC Limited, is a company having its registered office at Survey No. 64, Corporate Office, Madhapur, Hyderabad (500081), Telangana.
3. The respondent, namely Indian Oil Corporation Limited, is a Government of India undertaking having its registered office at G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai (400050), Maharashtra.
4. The respondent floated a tender for “Civil, Structural & Associated UG piping works of VGO-HDT, DHDT & HCDS Units (EPCM-2)” for the Paradip Refinery Project (*“the project”*). The petitioner was declared as the successful bidder for the project and consequently, the parties entered into a formal Agreement dated 28.04.2010.
5. The Agreement between the party clearly designated the commencement date for the project as 03.03.2010 with scheduled completion date as 02.10.2011. However, the project was ultimately completed with delays on 28.12.2015. Subsequently, disputes arose regarding payments due under the terms of the contract.
6. The petitioner invoked the arbitration Agreement *vide* communication dated 01.07.2017. Upon failure of the parties to mutually agree on the constitution of the Arbitral Tribunal, the petitioner approached this Hon’ble Court by filing a petition under Section 11 of the Act.
7. This Court in a petition under Section 11 of the Act, *vide* judgment dated 08.02.2019 in *NCC Limited v. Indian Oil Corporation Limited*¹, rejected the objections raised by the respondent and appointed the Sole Arbitrator to adjudicate the disputes between the parties. The Sole

¹(Arb.Pet.115/2018).



Arbitrator entered reference and held its first hearing on 05.03.2019, directing completion of pleadings by 01.07.2019.

8. The respondent challenged the appointment of the Sole Arbitrator before the Hon'ble Supreme Court by way of a Special Leave Petition S.L.P. (C.) 13161/2019. Consequently, the Hon'ble Supreme Court *vide* orders dated 03.07.2019 and 18.07.2019, stayed further arbitral proceedings.
9. The respondent also preferred an Application under Section 16 of the Act challenging the jurisdiction of the Sole Arbitrator. The Hon'ble Supreme Court, *vide* judgment dated 20.07.2022 decided the Civil Appeal no. 341 of 2022 arising out of the aforesaid SLP, and dismissed the respondent's appeal but directed the Sole Arbitrator to first adjudicate the pending Section 16 Application regarding "accord and satisfaction" and arbitrability of the disputes within 3 months from the date of first sitting.
10. In pursuance of the aforesaid directions, the arbitral proceedings were resumed on 15.12.2022, wherein the Sole Arbitrator directed the parties to complete the pleadings with regards to the Section 16 Application by 15.02.2023. However, the timeline for deciding the Section 16 Application was extended with the consent of parties by 5 months *vide* Procedural Order No. 3, and the said Application was ultimately dismissed *vide* Procedural Order No. 7 dated 16.08.2023. The respondent thereafter delayed filing its Statement of Defence ("**SOD**") and ultimately filed the same on 30.04.2024, subject to costs.
11. The petitioner filed its rejoinder on 17.06.2024, and on this date i.e. 17.06.2024, the pleadings were completed. Consequently, the statutory



period of twelve months under Section 29A(1) of the Act commenced from 17.06.2024 and expired on 17.06.2025.

12. The arbitral proceedings are presently at an advanced stage as the Cross-examination of the respondent's sole witness is also completed.
13. Hence, through the present petition, the petitioner has approached this Court seeking extension of the mandate of the Sole Arbitrator under Section 29A of the Act.

SUBMISSIONS ON BEHALF OF THE PETITIONER

14. Dr. Amit George, Ld. Counsel for the petitioner, contends that the commencement of the 12 month statutory period is calculated from the date of completion of pleadings, and relying on the judgment of this Hon'ble Court in *Emco Limited v. Delhi Transco Limited*², it is submitted that when a rejoinder is permitted to be filed by the Arbitral Tribunal, pleadings stand completed on the date of filing of the rejoinder which in the present case is 17.06.2024. Thus, the mandate of the Sole Arbitrator continued for a period of 12 months from 17.06.2024 to 17.06.2025, and the present petition filed on 21.07.2025 is maintainable even after the expiry of the said period.
15. Dr. George, also submits that the petitioner filed its Statement of Claim ("**SOC**") on 18.04.2019 in accordance with timeline fixed by the Procedural Order. However, the respondent filed Special Leave Petition (C) No. 13161/2019 before the Hon'ble Supreme Court challenging the judgment dated 08.02.2019 of this Court, thereby keeping the arbitral proceedings in abeyance. Further, the Sole Arbitrator resumed its proceedings on 15.12.2022 and subsequently by Procedural Order No. 3 on mutual consent, the timeline for deciding the Section 16 Application

² 2024 SCC Online Del 6306.



was extended by five months, which was sought by the respondent itself after completion of pleadings in the Application so as to file additional documents. The Sole Arbitrator disposed of the respondent's Section 16 Application holding that the settlement of disputes, subject to final determination after evidence, was not genuine and the "accord and satisfaction" were conditional, and the arbitration Agreement therefore survived the purported settlement and the disputes are arbitrable. Further, the respondent delayed the filing of its SOD by 6 months, which was ultimately filed on 30.04.2024 and taken on record with costs.

16. Dr. George, further submits that the principal cause for the delay in the arbitral proceedings is the lackadaisical approach of the respondent, while at the same time the petitioner has consistently complied with the timelines for filing of its pleadings before the Sole Arbitrator. The process of recording oral evidence stands completed as on 26.09.2025. Thus, non-extension of the mandate at this juncture would result in severe prejudice to both the parties and would lead to wastage of all the time and resources invested, and would also defeat the very purpose of the arbitration.
17. Further he also states, that the contentions raised by the respondent regarding alleged loss of confidence in the Sole Arbitrator and alleged misconduct in the conduct of proceedings are wholly misplaced in the context of a petition under Section 29A of the Act. Relying on decisions in the case of *Poonam Mittal v. Created Pvt. Ltd.*³ and *Anay Kumar Gupta v. Jagmeet Singh Bhatia*⁴, it is submitted that the courts while deciding a petition under Section 29A of the Act should restrict themselves as to whether the Arbitral Tribunal has proceeded with due

³ 2024 SCC Online Del 6621.

⁴ 2023 SCC Online Del 3939.



expedition and does not permit a review of the conduct or the judicial determinations made by the Arbitral Tribunal. Thus, the said contention of the respondent and other grievances cannot be the subject matter of the proceedings under Section 29A petition.

18. In light of the aforesaid submissions, the Ld. Counsel for the petitioner, submits that there are sufficient grounds to justify the extension of the mandate.

SUBMISSIONS ON BEHALF OF THE RESPONDENT

19. Mr. V.N. Koura, Ld. Counsel for the respondent, vehemently opposes the present petition seeking extension of the mandate of the Sole Arbitrator and submits that no sufficient cause has been shown for the grant of such extension under Section 29A(5) of the Act. The mandate of the Sole Arbitrator terminated on 30.04.2025, as the period of 12 months contemplated under Section 29A(1) of the Act commences from the date of completion of pleadings and which is understood as the filing of the SOD when read with Section 23(4) of the Act and not the rejoinder. In the present case, the respondent filed its SOD on 30.04.2024, and consequently the statutory period of one year ended on 30.04.2025, with the mandate of the Sole Arbitrator terminating on that date.
20. Mr. Koura, further submits that the present arbitration arises out of the judgment of the Hon'ble Supreme Court in *Indian Oil Corporation Limited (Supra)*, wherein the Hon'ble Supreme Court provided explicit and binding directions in clear terms that the Sole Arbitrator shall first decide the issue of "accord and satisfaction" and the arbitrability of the disputes by deciding the pending Section 16 Application within a period of three months from the date of the first sitting held after the judgment.



21. It is further submitted that the Sole Arbitrator has completely disregarded the binding directions of the Hon'ble Supreme Court and has failed to decide the issues of "accord and satisfaction" and arbitrability of the disputes. Instead, by Procedural Order No. 7, the Sole Arbitrator dismissed the respondent's Section 16 Application without deciding the core issues raised therein. The Sole Arbitrator merely observed that the issues of "accord and satisfaction" and whether claims are "Notified Claims", were "matters of evidence" to be decided at a later stage and proceeded to direct the respondent to file its SOD on merits.
22. The Ld. Counsel further submits that the respondent thereafter filed another Application under Section 16 of the Act, raising the objection that the agreed procedure under Clause 9.0.2.0 of the GCC, requires that the General Manager first decide whether the petitioner's claims were "Notified Claims" included in the Final Bill in accordance with Clause 6.6.3.0 of the GCC, and that the arbitration could not proceed unless such decision was first rendered. The Sole Arbitrator dismissed this Application *vide* Procedural Order No. 8 dated 01.12.2023 and directed the respondent to file its SOD on merits, thereby disregarding the agreed contractual procedure binding upon the Sole Arbitrator under Section 19(2) of the Act.
23. The Ld. Counsel emphasizes that the delay in the arbitral proceedings has occurred solely due to the misconduct of the Sole Arbitrator in disregarding the Hon'ble Supreme Court's directions and the agreed procedure between the parties. The Sole Arbitrator proceeded to record evidence and conduct substantive proceedings on the merits without first complying with the directions or the agreed procedure. Such disobedience of binding directions of the Hon'ble Supreme Court and



disregard of the agreed procedure amounts to misconduct on the part of the Sole Arbitrator.

24. Mr. Koura, also submits that in light of the principles explained by the Hon'ble Supreme Court in *Rohan Builders (India) Ltd. v. Berger Paints India Ltd.*⁵, the Court must exercise its judicial discretion under Section 29A(5) only where sufficient cause for extension is clearly show, and such extension should not be granted mechanically. The misconduct of the Sole Arbitrator in disregarding the Hon'ble Supreme Court's directions and the agreed contractual arbitration procedure constitutes a ground to refuse extension and to terminate the mandate of the Sole Arbitrator and to further appoint a substituted arbitrator.

ANALYSIS AND FINDINGS

25. I have heard the learned counsel for the parties and perused the material and documents placed on record.
26. It is the case of the respondent that the extension under Section 29A of the Act should not be granted because of the misconduct of the arbitrator in not deciding the Application which was directed by the Hon'ble Apex Court in *Indian Oil Corporation Limited (Supra)*, and to arrogate itself with jurisdiction in clear violation of the terms of the Contract. The respondent further opposes extension of the mandate and seeks substitution of the Sole Arbitrator.
27. It will be pertinent to mention the few relevant dates:

Date	Event
28.04.2010	The petitioner and the respondent entered into a formal Agreement.

⁵ (2025)10 SCC 802.



28.12.2015	The Project was actually completed by the petitioner.
01.07.2017	Disputes arose between the parties, regarding payments due to the petitioner and the arbitration was invoked by the petitioner <i>vide</i> letter dated 01.07.2017.
05.03.2019	The Sole Arbitrator held its First Hearing.
18.04.2019	The claimant/petitioner filed its SOC
03.07.2019 & 18.07.2019	The Hon'ble Supreme Court stayed further proceedings before the Sole Arbitrator.
20.07.2022	The Hon'ble Supreme Court dismissed the appeal filed by the respondent, while directing the Sole Arbitrator to firstly decide the pending Section 16 application.
16.08.2023	The Sole Arbitrator disposed of the respondent's Section 16 Application <i>vide</i> Procedural Order No. 7.
30.04.2024	After multiple opportunities, the respondent filed its SOD on 30.04.2024.
17.06.2024	The petitioner filed its rejoinder to the respondent's SOD.

28. In the present case, the Sole Arbitrator *vide* Procedural Order No. 10 dated 01.05.2024 allowed the filing of a rejoinder to the SOD. In cases, when a rejoinder is allowed to be filed by the tribunal and is actually filed, the pleadings are deemed complete on the date of filing of the rejoinder and not on the date of filing of the SOD. This position is



clearly supported by the judgment of this Court in **Emco Limited v. Delhi Transco Limited**⁶ and the Hon'ble Supreme Court's order dated 29.04.2024, while dismissing the SLP in **Buoyant Technology Constellations Pvt. Ltd. v. Manyata Infrastructure Developers Pvt. Ltd.**⁷, relevant paragraph of **Buoyant (Supra)** reads as under:

“We are in agreement with the findings recorded in the impugned judgment that in case a rejoinder or sur-rejoinder are filed and taken on record, the pleadings for the purpose of Section 29A of the Arbitration and Conciliation Act, 1996, shall concluded on the date the last pleading is filed. We also agree that the period during which there was a stay of arbitration proceedings has to be excluded.”

29. Further, the present petition seeking extension was filed on 21.07.2025 and the Hon'ble Supreme Court in **Rohan Builders (Supra)** has unambiguously 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”*⁸, the relevant paragraphs of **Rohan Builders (Supra)** read as under:

“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

⁶ 2024 SCC Online Del 6306.

⁷ SLP (C) No. 9331/2024.

⁸ Section 29A(4), Arbitration and Conciliation Act, 1996.



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 twelve-month or the extended six-month period, as the case may be. The court while adjudicating such extension applications will be guided by the principle of sufficient cause and our observations in paragraph 19 of the judgment.”

30. In view of the aforesaid position, it is clear that in the present case the rejoinder was actually filed on 17.06.2024 and thus pleadings were completed on that date. Accordingly, the 12 month statutory period commenced from 17.06.2024 and expired on 17.06.2025.

CONDUCT OF THE ARBITRATOR

31. The respondent has raised allegations that the Sole Arbitrator has disregarded the Hon'ble Supreme Court's directions in ***Indian Oil Corporation Limited (Supra)***, and violated the agreed contractual procedure.
32. The Sole Arbitrator decided the Section 16 Application *vide* Procedural Order No. 7 dated 16.08.2023, the relevant excerpts from the Procedural Order No.7, read as under:

“29. The further case of learned counsel is that no arbitrable disputes have arisen in view of Clause 9.0.2.0, particularly sub-clauses (ii) and (iii) thereof. It is submitted that the claims raised by the Claimant are not notified claims. As far as the submission with regard to Clause 9.0.2.0 is concerned, it is really a matter that will need to be



decided in the event it is held that arbitrable disputes have been raised by the Claimant. It is not necessary to decide this issue at this stage, and this was not disputed by learned counsel for the Respondent.

xxxx

31. A bare perusal of the italicized portion of this clause makes it clear that notified claims are not covered by the prohibition regarding arbitrability. There is no dispute that the Claimant had raised some disputes which it says are notified claims. The position accepted by learned counsel for the Respondent is that the question whether the claims are indeed notified claims is a matter that will have to be considered by this Tribunal after the disposal of the application under Section 16 of the act. If that be so, it may be assumed for the time being and without prejudice, that the claims raised by the Claimant in its communication dated 5th August, 2016 are in fact notified claims. These claims, in view of a plain reading of Clause 6.7.1.0 of the GCC, are exempted and are not discharged or extinguished, with the arbitration clause surviving as far as these claims are concerned.

xxxx

36. Insofar as the present case is concerned, it is quite clear that there were disputes between the parties, and one of them, that is, the Claimant succumbed to what it claims to be economic coercion. The settlement of disputes under the circumstances was not a genuine settlement, assuming the Claimant is able to prove its case of economic coercion. It

must be held that the accord and satisfaction of the disputes was conditional as far as the Claimant is concerned. This is evident from the communications sent by the Claimant. As such, arbitrable disputes do arise and survive. Under the circumstances, it must be held that the arbitration clause would survive the contract in terms of the law clearly expounded by the Hon'ble Supreme Court (and followed in subsequent decisions). That being so, the arbitration clause in the contract survives, and the disputes being arbitrable, reference to arbitration would be justified."

33. From a conspectus of the determination of the aforesaid Application by the Sole Arbitrator, it seems that the Sole Arbitrator has substantially complied with the directions of the Hon'ble Supreme Court in ***Indian Oil Corporation Limited (Supra)***. Be that as it may, it is not for this court to decide this issue in detail in the present petition, as that would be the subject matter of a petition under Section 34 or Section 37 of the Act, as and when filed by the respondent. It is a settled position of law that while exercising jurisdiction under Section 29A(4), the Court is only required to see if sufficient cause exists for the extension of mandate of the Arbitrator.

SUFFICIENT CAUSE

34. In the present petition, the core issue is whether the petitioner has shown sufficient cause for extension of the mandate of the Sole Arbitrator. The relevant factors to be considered for the same are at the judicial discretion of the court⁹.

⁹Paragraph 19, Rohan Builders (Supra).



35. The disputes in this case emanate from a substantial commercial contract concerning civil, structural and associated works undertaken at a refinery project and the project also included issues of delays exceeding four years. The examination and cross-examination of the witnesses continued after filing of the rejoinder and additionally, there was also a Section 16 application which was directed to be decided by the Hon'ble Supreme Court prior to proceeding further with the arbitration. All of the aforesaid consumed substantial time and the proceedings presently are at the stage of addressing final arguments.

36. In ***Rohan Builders (Supra)***, the Hon'ble Supreme Court has enunciated some observations which will guide the adjudication of Applications for extension filed under Section 29A(4) read with Section 29A(5), the relevant paragraphs of the judgment 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.

xxxx

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 29-A(4) read with Section 29-A(5) is maintainable even after the expiry of the twelve-month or the extended six-month period, as the case may be. The court while adjudicating such extension applications will be guided by the principle of sufficient cause and our observations in para 19 of the judgment.”

37. *In **RCC Infraventures Ltd. & Ors. v. DMI Finance Pvt. Ltd. & Ors.***¹⁰, this Court while relying on ***Rohan Builders (Supra)*** held that the foundational precept of the Arbitration and Conciliation Act, 1996, is a litigant centric approach to reduce the cost of litigation and expedite disposal of cases. From a conspectus of the said decision, it is clear that the termination of the mandate of the Arbitral Tribunal results in wastage of time and resources for the parties. This principle applies with greater force when the proceedings are at an advance stage, the relevant paragraphs of ***RCC Infraventures Ltd. (Supra)*** read as under:

“27. The Hon’ble Supreme Court in the aforesaid judgment has relied upon the 176th Report of the Law Commission of India, wherein it was held that the termination of the

¹⁰2024 SCC Online Delhi 8961.



mandate of the Arbitral Tribunal results in waste of time, resources and money for the parties. The same is predicated on the fact that the parties and the Arbitral Tribunal have invested a lot of time, effort and energy in the arbitral proceedings. The essence of the A&C Act is a litigant-centric process to expedite the disposal of cases and reducing the cost of litigation.

28. In the present case, the mandate of the Sole Arbitrator terminated on 31.08.2023 and the present petition was filed on 12.01.2024 i.e. after a period of four and a half months.

29. To my mind, the said delay of four and a half months in filing the present petition is not an inordinate delay to direct that the mandate of the Sole Arbitrator should not be extended or a substitute arbitrator should be appointed.

30. The pleadings in the arbitral proceedings have already been completed and the Claimants i.e. the petitioners have started its evidence. In this regard, my attention has been drawn to order dated 19.09.2023, whereby CW-1 is being examined. Further, the entire computed fees of the learned sole arbitrator with respect to the claims has been paid by the petitioners.”

38. Further, the petitioner has consistently complied with all timelines fixed by the Sole Arbitrator for SOC dated 18.04.2019 and also for the rejoinder dated 17.06.2024. However, despite multiple opportunities the respondent delayed filing of its SOD and the same was only taken on record subject to costs *vide* Procedural Order No. 10.
39. It is for the reasons as enumerated above, the petitioner has shown sufficient cause for seeking extension under Section 29A of the Act. The



delay in concluding the arbitral proceedings is neither inordinate nor unexplainable. Further, the termination of mandate would result in wastage of substantial time and resources already incurred by both parties and the Sole Arbitrator.

CONCLUSION

40. Having considered all the material issues, I am of the view that sufficient cause exists under Section 29A of the Act for granting extension of the mandate of the Sole Arbitrator.
41. For the aforesaid reasons and discussion, the petition is allowed and the mandate of the Sole Arbitrator is extended by a period of 1 year from the date of this judgment.
42. The Sole Arbitrator shall conduct the remaining proceedings expeditiously.
43. The period from 18.06.2025 till today stands regularised.
44. The petition is disposed of accordingly.

JASMEET SINGH, J

JANUARY 14th, 2026 / SS