

ORDER SHEET

IN THE HIGH COURT AT CALCUTTA  
ORIGINAL SIDE  
COMMERCIAL DIVISION

AP-COM/540/2025

GLEN INDUSTRIES PRIVATE LIMITED  
VS  
ORIENTAL INSURANCE COMPANY LIMITED

BEFORE:

The Hon'ble JUSTICE SHAMPA SARKAR

Date: 12<sup>th</sup> August, 2025.

*Appearance:*

*Mr. Subhasish Sengupta, Adv.*

*Mr. Biswajib Ghosh, Adv.*

*Mr. Sayak Mitra, Adv.*

*Mr. Avirup Chatterjee, Adv.*

*Mr. Rishov Das, Adv.*

*...for the petitioner.*

*Mr. Sanjay Paul, Adv.*

*...for the respondent.*

The Court:-

1. This is an application for extension of the mandate of the learned Arbitrator. On the last occasion the learned Advocate for the respondent raised an objection to the prayer for extension on the ground that the learned Arbitrator had proceeded with the matter even after the mandate terminated.

2. I had already held in my earlier order that as the petitioner participated wholeheartedly in the proceedings and called their respective witnesses, such action would amount to extension of time by agreement between the parties by a further period of six months. The statute permits such extension.

3. By applying Section 4 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as the said Act), this Court held that, as objection was not raised when the mandate terminated after one year from completion of pleadings and parties willingly participated, the same amounted to extension by agreement for six months and the respondent waived the right to object to the continuation of the proceeding after expiry of the initial period of one year. The relevant sections are quoted below:

**“4. Waiver of right to object.**

- A party who knows that

(a) any provision of this Part from which the parties may derogate, or

(b) any requirement under the arbitration agreement,

has not been complied with and yet proceeds with the arbitration without stating his objection to such non-compliance without undue delay or, if a time limit is provided for stating that objection, within that period of time shall be deemed to have waived his right to so object.

**29-A. Time limit for arbitral award.---**

(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. The next argument of the learned Advocate for the respondent was that unless this Court decides the fate of the proceedings which took place after 18 months, and till the filing of the application before this Court, the mandate should not be extended. The learned Arbitrator was *functus officio* and the proceedings were a nullity.

5. Considered the submissions. Section 29A(4) of the said Act, provides that if an 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 shall terminate unless the Court has, either prior to or after the expiry of the period so specified, extended the period. Thus, the law empowers the Court to extend the mandate both, prior to and after expiry of the mandate or even after expiry of the period so specified. The second proviso to section 29A (4) states that the mandate continues if an application for extension is pending. It has already been held by the Hon'ble Apex Court in ***Rohan Builders (India) Private Limited Vs. Berger Paints India Limited*** reported in ***2024 SCC OnLine SC 2494*** that the application for extension can be filed even after expiry of the mandate and upon extension by court, the mandate revives.

6. In this case, however, the application was filed on July 2, 2025 and the mandate i.e. 18 months (one year + six months) expired on March 12, 2025. The records indicate that approximately three sittings were held during the intervening period which the respondent submits had vitiated the entire proceeding and as such, the prayer for extension should not be considered.

7. The next contention of the learned Advocate for the respondent is that, sufficient cause has not been shown for the delay in filing the application.

8. In my view, extension of the mandate of the learned Arbitrator, by order of court, relates back to the date of termination, irrespective of the fact that the application was filed after the mandate terminated.

9. Sub-section (4) of Section 29-A provides that if an 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 shall

terminate unless the Court has, either prior to or after the expiry of the period so specified, extended the period.

10. Section 29-A(4) is quoted below:-

*“29-A. Time limit for arbitral award.—*

*(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.”*

11. The phrase “either prior to or after” indicates that the Court can revive the arbitrator’s mandate even if it has already expired. The order of Court, in effect, validates the proceeding. The provision ensures that there is no legal vacuum or break in the arbitrator’s jurisdiction between expiry and extension. Thus, in my view the arbitral proceedings between the date of termination and the order of Court are not void.

12. The second proviso to Section 29A (4) states as follows :-

***“29-A. Time limit for arbitral award.—***

*[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.]”*

13. The legislative intent was that an arbitral proceeding should continue even if the mandate terminates and an application for extension is pending before a Court. This is in consonance with the object behind the said Act, i.e., to ensure speedy disposal of disputes. Further, legislative intent was to validate the proceedings before the arbitrator by order of court, on an application for extension. The legislature intended that no legal vacuum or break in the arbitrator’s jurisdiction between expiry and extension should

exist and the mandate should be revived from the date of expiry. The proceeding would be deemed to be within jurisdiction.

14. The law does not make it compulsory that an application must be filed pre-expiry or that the mandate should be extended pre-expiry. The law allows flexibility, so that, legitimate delays do not frustrate arbitration. However, the mandate would not revive automatically and the proceedings become valid only upon Court's order of extension. Thus, any proceeding after the expiry of the mandate would be without jurisdiction, till such time the Court formally extends the mandate by an order. Once the order is passed, the proceedings get validated. Thus, an order of extension of the mandate by Court, grants retrospective continuity to the mandate of the arbitrator.

15. The legislature has consciously not used a 'fullstop' after the expression terminate, in sub-section 4, but framed the provision in such a way, so as to give a retrospective effect to the extension by granting continuity. The expression used is that, the mandate terminates unless the court extends the same, before or after expiry. Thus, in this case, there is no legal bar for this court to extend the mandate. While extending the mandate, the court is only required to decide whether there are sufficient reasons to extend the same. The contention of Mr. Paul that this court, shall in effect, shall validate an aborted or abandoned proceeding, is not accepted.

16. Records reveal that both parties adduced evidence and produced their witnesses. The respondent has not been able to point out any intentional delay either on the part of the petitioner or on the part of the

arbitrator. Under such circumstances, when substantial progress has been made in the proceedings, this Court does not find that there is any reason not to extend the mandate. The extension will enure to the benefit of the parties who have invested sufficient time and resources in the arbitral proceeding.

17. Under such circumstances, the mandate of the learned arbitrator is extended by a further period of one year. This order is restricted to the disposal of this application. The contention of Mr Paul that the proceedings held after expiry and before the order should be expunged from the records is not further deliberated upon, leaving it open to be agitated at the appropriate stage.

18. AP-COM/540/2025 is, accordingly, disposed of.

(SHAMPA SARKAR, J.)