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IN THE HIGH Court OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

ARBITRATION PETITION NO. 642 OF 2025
WITH
INTERIM APPLICATION (L) NO. 18580 OF 2024

Union of India

...Petitioner/
Applicant**Versus**

Inspirisys Solutions Ltd.

...Respondent

Mr. N. R. Bubna, a/w Mr. Vinit Jain, Mr. Gaurav Mhatre, and
Mr. Aryanraj A. for the Petitioner/Applicant.
Mr. Bimal Rajasekhar, a/w Ms. Vanshika Jain, for the
Respondent.

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CORAM: N. J. JAMADAR, J.**RESERVED ON: 16th SEPTEMBER, 2026****PRONOUNCED ON: 6th OCTOBER, 2026****ORDER:-**

1. This is a petition under Section 34 of the Arbitration and Conciliation Act, 1996 ("the Arbitration Act, 1996") to set aside the award dated 22nd February, 2023 passed by the arbitral tribunal in an arbitral proceeding in connection with the post warranty maintenance of 175 numbers of Smart Card based ATVM Kiosk, reader and Management Terminals.

2. By the said award, a three-member arbitral tribunal has directed the petitioner to pay a sum of Rs. 2,45,97,550/- to the respondent-claimant, within 60 days thereof, and in the event of

default, to pay simple interest at the rate of 7% p.a. on the award amount from the date of the award till payment.

3. In the wake of disputes between the petitioner and the respondent-claimant over annual maintenance contract for servicing and maintaining Automated Ticket Vending Machines ('ATVM') and related system machines, pursuant to an order dated 7th July, 2022, the parties were referred to arbitration before a three-member arbitral tribunal. Eventually, on 22nd February, 2023, the arbitral tribunal passed the aforesaid award sought to be impugned in this petition, which has been filed on 5th September 2023.

4. In the affidavit-in-reply to the interim application, being IA(L)/18580/2024, the respondent-claimant has raised the ground that petition does not deserve to be entertained as it has been filed beyond the period prescribed under Section 34(3) of the Arbitration Act, 1996 plus the extendable period of 30 days under the proviso thereto.

5. The petitioner has made an endeavour to meet the challenge of the bar of limitation by filing an affidavit in rejoinder. It is, *inter alia*, asserted that the impugned award declared that it shall be published immediately on receipt of the arbitration fees and expenses from the parties. And since the

arbitration fees were paid on 12th May, 2023 and 17th May, 2023 and, thereafter, the signed copy of the award was dispatched and received in the office of the DGM, Central Railway, on 11th July, 2023, the period of limitation commenced from the date of receipt of the duly published original award. Thus, the petition filed on 5th September, 2023 was within the period of limitation.

6. I have heard Mr. Bubna, the learned Counsel for the petitioner, and Mr. Rajasekhar, the learned Counsel for the respondent, on the point of the bar of limitation. The learned Counsel took the Court through the pleadings and the material on record.

7. Mr. Rajasekhar, the learned Counsel for the respondent, submitted that the petitioner is attempting to take an undue advantage of its act of withholding the arbitration fees. It was submitted that the issue as to the quantum of fees to be paid to the arbitral tribunal was resolved by the High Court by an order dated 20th March, 2023, whereby the High Court directed that the fees payable to the arbitrators should be governed by the instructions issued on the subject by the Railway Board. Accordingly, on 23rd March, 2023, the arbitral tribunal reduced the fees to Rs.1,75,500/-. On the very day, the petitioner received the scanned copy of the award by WhatsApp on the

WhatsApp group created for the arbitral proceedings. In addition, on 24th March, 2023, the petitioner duly received a colour photocopy of the award by courier service. The covering letter was digitally signed by one of the members of the arbitral tribunal (Mr. A.K. Mittal).

8. Although the petitioner has acknowledged the receipt of the copy of the arbitration award from the presiding Arbitrator on WhatsApp group on 23rd March, 2023 and colour photostat copy through courier service on 24th March, 2023, no steps were taken to file the petition within the prescribed period. On 27th June, 2023, a communication was addressed to the arbitral tribunal seeking a copy of the arbitral award to artificially create a basis for filing the arbitration petition. Thus, the claim of the petitioner that, since the original award was received on 11th July, 2023 the filing of the petition on 5th September, 2023 was within the prescribed period of limitation was a subterfuge.

9. Mr. Rajasekhar further submitted that, it is not the requirement of the law that the original physical copy of the award be furnished to the party. Where the correspondence, during the pendency of the arbitral proceedings, has been exchanged through emails, the delivery of the copy of the arbitral award through email constitutes sufficient compliance

of the provisions contained in Section 31(5) of the Arbitration Act, 1996. Mr. Rajasekhar submitted that the WhatsApp group was the primary mode of communication between the parties, including the arbitrators, during the course of the arbitral proceedings.

10. To lend support to the aforesaid submissions that where the parties had agreed upon a preferred mode of communication, the service of an arbitral award through such mode would be a sufficient service, Mr. Rajasekhar placed reliance on an order passed by the learned Single Judge in Application (L)/30946/2023 *Mars Envirotech Limited vs. Amanecer Green Private Ltd.*, dated 21st February, 2024, and the Division Bench judgment arising out of the same case in Arbitration Appeal (L) No. 7341/2024, dated 4th September, 2024. Reliance was also placed on the judgments of the Delhi High Court in the cases of *Continental Telepower Industries Limited vs. Union of India and others*¹, *Ministry of Youth Affairs and Sports Dept. of Ports, Govt. of India vs. ERNST and Young Pvt. Ltd. (Now known as ERNST and Young LLP) and anr.*², *Chief Engineer Employees State Insurance Corporation vs. ENARCH*

1 2009 SCC OnLine Del 1859.

2 OMP (COMM) 377/2018, dated 23.8.2023.

Consultants Pvt. Ltd.³, and Container Corporation of India Limited vs. Roadwings International Pvt. Limited⁴.

11. In opposition to this, Mr. Bubna, the learned Counsel for the petitioner, stoutly submitted that the challenge to the tenability of the petition on the ground of bar of limitation is completely misconceived and is mounted with a view to delay the disposal of the interim application seeking stay to the execution and operation of the impugned award. Mr. Bubna laid emphasis on the fact that the impugned award itself makes it explicitly clear that, though the award had been made and signed on 22nd February, 2023, yet, it would be published only upon receipt of the “arbitral fees and expenses” from the parties. Thus, there was no publication of the award till the parties paid the fees. It is in that context, Mr. Bubna would urge, the petitioner has asserted that the fees were paid on 12th May, 2023 and 17th May, 2023, and only thereafter the original signed copy of the arbitral award was received on 11th July, 2023. Therefore, the period of limitation for filing a petition under Section 34 of the Arbitration Act, 1996 could only commence from 12th July, 2023.

12. Without disputing the fact that, in the letter dated 27th

3 OMP (Comm) No.529/2024, dated 7.7.2026.

4 OMP (Comm) No. 449 of 2022, dated 5.4.2024.

June, 2023 addressed to the learned members of the arbitral tribunal, it was mentioned that a copy of the arbitral award was uploaded on the WhatsApp group on 23rd March, 2023 and a colour photostat copy of the award was sent to the DGM's Office, Central Railway, through courier on 24th March, 2023, Mr. Bubna submitted that the receipt of the copies of the arbitral award in the aforesaid fashion did not constitute due delivery of the award under Section 31(5) of the Arbitration Act, 1996.

13. Mr. Bubna further submitted that, the publication of the award was deferred till the payment of the “arbitral fees and expenses”, and, thus, it cannot be said to have been published before the fees were paid. And only thereafter, could the petitioner obtain the original award from the arbitral tribunal on 11th July, 2023. Mr. Bubna further submitted that the delivery of the signed copy of the award is of immense significance. Time for filing objections to the award can only be reckoned from the day on which the signed copy of the award was made available to the parties. To buttress this submission Mr. Bubna placed reliance on the decision in the case of *Dakshin Haryana Bijli Vitran Nigam Limited vs. Navigant Technologies Private Limited*⁵.

5 (2021) 7 SCC 657.

14. Under Section 34(3) of the Arbitration Act, 1996, an application for setting aside an arbitral award may not be made after three months has elapsed from the date on which the party making that application has received the arbitral award. Under the proviso to sub-section (3), the Court may entertain the application within the further period of 30 days, but not thereafter, if it is satisfied that the applicant was prevented by a sufficient cause from making the application within the prescribed period of three months.

15. It would be contextually relevant to note that, under Section 31(5) of the Arbitration Act, 1996, after the arbitral award is made, the arbitral tribunal is enjoined to deliver a signed copy of the arbitral award to each party. A conjoint reading of sub-section (5) of Section 31 with Section 34(3) of the Arbitration Act, 1996, would make it clear that the limitation prescribed for filing a petition to set aside the award under Section 34(3) of the Arbitration Act, 1996 would commence from the date a signed copy of the arbitral award is delivered to the party that makes an application for setting aside the same.

16. In the light of the aforesaid statutory prescription, two dates assume critical salience. First, the date on which the signed copy of the arbitral award is delivered to the party, who

files a petition to set aside the said award. Second, the date on which such petition is filed before the Court. The first date assumes importance from the perspective of the commencement of the period of limitation. The second date is also of immense significance to ascertain whether the petition is, in fact, filed within the prescribed period of three months (from the date of the commencement of the period of limitation) and the extendable 30 days period (albeit only upon the satisfaction of the Court), as the Court is denuded of the power to condone the delay beyond the prescribed period of three months plus 30 days.

17. In the light of aforesaid statutory regime, readverting to the controversy at hand, it is necessary to extract clause 15.3 of the impugned award. It reads as under:

“15.3 The award has been made and signed on 22-2-2023 at Mumbai. The award shall be published immediately on receipt of ‘Arbitral Fee and Expenses’ from the parties.”

18. Two aspects become abundantly clear. The award was made and signed on 22nd February, 2023. The publication of the award was purportedly to follow the receipt of the arbitral fees and expenses from the parties. There is not much dispute over the fact that the clarification with regard to the quantum of fees was issued by this Court in Review Petition No. 38940/2022 in

Commercial Arbitration Petition No. 222/2022. Thereupon, vide Minutes of Order dated 23rd March, 2023, the arbitral tribunal reduced the fees. It is not in dispute that on 23rd March, 2023 itself, the petitioner received the scanned copy of the award via WhatsApp. Again incontrovertibly, as is evident from the communication dated 27th June, 2023, a colour photostat copy of the award was received by the office of DGM, Central Railway, through courier service.

19. In the face of the aforesaid material, can the publication of the award be said to be deferred till the receipt of the, “arbitral fees and expenses’ thereby postponing the date from which the time prescribed for filing a petition under Section 34 would commence to run?

20. The thrust of the submission on behalf of the petitioner was that the original signed copy of the award was received by the petitioner on 11th July, 2023 only. Thus, the period of limitation would commence from that day.

21. It would be contextually relevant to note that, the fact that the photostat copy of the award was received by the petitioner from the arbitrator by courier service on 24th March 2023 is indubitable. By that token, the communication dated 27th June, 2023 addressed to the arbitral tribunal seeking a copy of the

award was thus beyond the prescribed period of three months.

22. I find it rather difficult to accede to the submissions of Mr. Bubna that since the arbitral fees were paid on 17th May, 2023, the award can be said to have been published only upon the payment of fees, i.e. 17th May, 2023. That would introduce an element of uncertainty as to when the award was, in fact, made and published. It is more so for the reason that on 20th March, 2023 itself, this Court had clarified that the arbitral fees shall be payable in accordance with the instructions issued by the Railway Board from time to time. The question that would thus come to the fore is, whether a party to the arbitral proceedings can be permitted to delay the payment of arbitral fees for a considerable period and thereafter contend that since the award cannot be said to have been published for want of payment of fees, the prescribed period did not begin to run. To countenance such a plea would amount to putting a premium on unjustified inaction and default on the part of such party.

23. This takes me to the pivotal submission on behalf of the petitioner that, what was required to be delivered was the original signed copy of the award and not a scanned copy or a photostat copy of the award. The question that warrants consideration is, what is the import of the term “signed copy”

used in sub-section (5) of Section 31 of the Arbitration Act, 1996. The relevant part of Section 31 reads as under:

“31. Form and contents of arbitral award -

(1) An arbitral award shall be made in writing and shall be signed by the members of the Arbitral Tribunal.

.....

(5) After the arbitral award is made, a signed copy shall be delivered to each party.”

24. On a plain reading, sub-section (5) of Section 31 casts an obligation on the arbitral tribunal to deliver a signed copy of the arbitral award to each party. The mode in which the “signed copy” is to be delivered is not indicated by the text of sub-section (5) of Section 31. Any mode of delivery which in itself ensures the identity and authenticity of the arbitral award that is delivered to each of the parties would be sufficient. The term “signed copy”, in the considered view of this Court, does not necessarily imply that only the original award made in duplicate or triplicate, as the case may warrant, shall be delivered. Clause 56 of Section 3 of the General Clauses Act, 1897, indicates what “to sign” signifies, as under:

“3(56) “sign”, with its grammatical variations and cognate expressions, shall, with reference to a person who is unable to write his name, include “mark”, with its grammatical variations and cognate expressions.”

25. A copy which bears the signature(s) of the arbitrator(s), and not necessarily, in original, may amount to a signed copy. Any other interpretation would put unjustified restrictions in the matter of delivery of the copy of the award to a party. The Courts cannot be oblivious to the march of technology. It cannot be arrested. If an interpretation is adopted that, only the original award bearing the signature of the arbitrator(s) in ink would amount to a signed copy of the arbitral award, the very purpose and object of the Arbitration Act, 1996 of ensuring an expeditious resolution of the dispute by a forum chosen by the party by putting in place strict timelines for the challenge to the arbitral award, would be defeated.

26. Keeping in view the aforesaid overarching objective of Arbitration Act, 1996, the Courts have taken a view which keeps pace with the march of technology. The Courts have looked at the substance of the matter from the perspective as to whether the aggrieved party has, in fact, received a signed copy of the award and not the form of the service of the original award bearing the signature of the Arbitrator(s) in ink.

27. In the case of *Mars Envirotech Limited* (supra), a learned Single Judge of this Court held that, when the applicant therein had received the award on its registered email ID by the

arbitrator, the period for filing the arbitration petition was required to be computed from that date. A Division Bench of this Court in ***Mars Envirotech Limited*** in Arbitration Appeal (L) No. 7341/2024 (supra) affirmed the said view. It was, *inter alia*, observed that since the appellant did not dispute the fact that the award dated 19th October, 2022 was sent on the email address of the appellant and earlier email sent on the very same address had been replied to, the signed copy of the award can be said to have been received by the appellant therein.

28. In the case of ***Ministry of Youth Affairs*** (supra) a learned Single Judge of the Delhi High Court, after analysis of a number of decisions, held that when a scanned signed copy of the award was received by the petitioner, the same constituted valid delivery in terms of Section 31(5) of the Arbitration Act. It was observed, the law has to keep pace in tandem with the developing technology. When service by email is an accepted mode of service then sending scanned signed copy of the award/order of the arbitral tribunal to the parties would be a valid delivery as envisaged under Section 31(5) of the Arbitration Act.

29. In the said case, a reference was made to a Division Bench judgment of the Delhi High Court in the case of ***Delhi Urban***

*Shelter Improvement Board vs. Lakhwinder Singh*⁶, wherein it was enunciated that the expression “signed copy” in Section 31(5) of the Arbitration Act, 1996 clearly indicates the legislative intent that a copy authenticated by an arbitrator is served on each party.

30. Likewise, in the case of *Chief Engineer Employees' State Insurance Corporation* (supra) another learned Single Judge of the Delhi High Court observed as under:

“15. Section 31(5) requires delivery of a signed copy of the Arbitral Award. It does not prescribe the mode through which such delivery must necessarily be effected. The provision does not mandate that delivery can only be by physical dispatch or by a certified hard copy. Once the learned Arbitrator himself transmitted a scanned signed copy of the Arbitral Award to the parties through the very mode adopted during the arbitral proceedings, and the authenticity of such communication remains unquestioned, the statutory requirement under Section 31(5) stood duly complied with.”

31. The decision in the case of *Dakshin Haryana Bijli Vitran Nigam Limited* (supra) on which reliance was placed by Mr. Bubna, does not seem to advance the cause of the submission on behalf of the petitioner. As is evident from the facts encapsulated by the Supreme Court in paragraph 45 of the said judgment, in the said case, even though the award was pronounced on 27th April, 2018, the signed copy of the award was provided to the parties only on 19th May, 2018. The

6 2017 SCC OnLine Delhi 9810.

procedural order therein revealed that on 27th April, 2018, only a copy of the award was provided to the parties to point out any computation, clerical or typographical errors which could be corrected in the award. It was further recorded that the third Arbitrator had dissented, and would deliver his separate dissenting opinion. On 12th May, 2018, the third arbitrator pronounced his dissenting opinion. Again the matter was posted to 19th May, 2020 to enable the parties to point out any error which could be corrected. Eventually, on 19th May, 2018, the signed copy of the award and the dissenting opinion were handed over to the parties. In that factual backdrop, the Supreme Court observed that the period of limitation for filing objections would have to be reckoned from the date on which the signed copy of the award was made available to the party.

32. The facts of the case at hand are materially distinct. As noted above, the award explicitly records that it was made and signed on 22nd February, 2023. The arbitral tribunal, after the High Court clarified the aspect of arbitral fees, passed a procedural order on 23rd March, 2023 and forwarded a scanned copy of the arbitral award to the petitioner on 23rd March, 2023 itself and a colour photostat copy of the award alongwith a covering letter was indisputably received by the petitioner on

24th March, 2023. It was nowhere the case of the petitioner that either the scanned or the colour photostat copy of the award did not bear the signatures of the members of the arbitral tribunal. On the contrary, after the expiry of the three-months period, if computed from 24th March, 2023, a communication was addressed on behalf of the petitioner to the effect that the arbitral fees and expenses were paid on 17th May, 2023, and, yet, the petitioner had not received original arbitral award.

33. In the aforesaid backdrop, if the submissions on behalf of the petitioner that the award was not declared on account of non-payment of the arbitration fees, despite the order dated 23rd March, 2023 passed by the arbitral tribunal, is countenanced, it would amount to permitting the petitioner to take an unfair advantage of the delay on its own part and, thus, artificially extend the prescribed period for filing the petition under Section 34 of the Arbitration Act, 1996, though the signed copy of the award was duly and unquestionably received by the petitioner on 24th March, 2023. The mandate of the provisions contained in Section 34(3) of the Arbitration Act, 1996 would thus be circumvented in an indirect and convoluted manner.

34. The conspectus of the aforesaid consideration is that, on the own showing of the petitioner, a signed copy of the arbitral

award was received by the petitioner, at any rate, on 24th March, 2023 and, thus, the filing of the petition on 5th September, 2023 was well beyond the prescribed period of three months plus the extendable period of 30 days. Resultantly, the challenge to the tenability of the petition on the ground of bar of limitation deserves to be sustained.

35. Hence, the following order:

: O R D E R :

- (i) It is declared that the petition is barred by the period of limitation provided under Section 34(3) of the Arbitration Act, 1996.
- (ii) The petition, thus, stands dismissed.
- (iii) In view of the dismissal of the petition, the interim application also stands disposed.

[N. J. JAMADAR, J.]

At this stage, Mr. Bubna, the learned Counsel for the Petitioner seeks continuation of the ad-interim relief granted in the Petition upon deposit of the award amount.

Mr. Rajashekhar, the learned Counsel for the Respondent concurs that the Petitioner has deposited the award amount.

However, he opposes the prayer for continuation of the ad-interim relief.

In the light of the view taken by this Court in this order, the ad-interim relief granted by this Court shall continue to operate for a period of four weeks from today.

[N. J. JAMADAR, J.]