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

Reserved on: 24.09.2026
Date of Decision: 14.10.2026
Date of Uploading: 14.10.2026

\# **CNR No. DLHC010001342026**

\+ CM(M) 20/2026 & CM APPL. 604/2026

GAIL GAS LIMITED .....Petitioner
Through: Mr. N. L. Ganapathi and Ms. Anaida Khan, Advocates

versus

SARASWATI CONCAST PVT. LTD. .....Respondent
Through: Mr. K. K. Aggarwal and Ms. Gayatri Aggarwal, Advocates

CORAM:
HON'BLE MR. JUSTICE AJAY DIGPAUL

J U D G M E N T

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1. Through the present petition, the petitioner seeks to assail the order dated 09.10.2025 whereby the learned trial court dismissed the petitioner's application under section 34(3) of the Arbitration and Conciliation Act, 1996 and held that the objections filed by the respondent under section 34 were within limitation.

2. The brief facts of the present case are as follows –

3. The present dispute stems from a Gas Sale Agreement between the parties dated 01.11.2011 wherein the petitioner was to supply 450 SCMD of gas to the respondent's manufacturing unit at Village Jat Joshi, Sonipat, Haryana from 15.01.2012 to 14.01.2017. The petitioner/claimant sought to recover Rs. 32,12,190 from the respondent on account of non-

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payment for supplies.

4. The arbitral proceedings culminated into the arbitral award dated 24.03.2017 wherein the learned sole arbitrator directed the respondent to pay Rs. 32,12,190 along with interest and cost of Rs. 2,50,000. The award was sent by the learned sole arbitrator on 24.03.2017 by speed post, and it is stated by the petitioner that the arbitral award was received by the respondent on 25.03.2017, i.e. the next day itself.

5. Meanwhile, the petitioner filed for execution of the award under Order XXI Rule 11 of the Code of Civil Procedure read with section 36 of the Arbitration Act. The notice of the execution petition was received by the respondent on 16.11.2017 and the respondent filed their objections under section 34 of the Arbitration Act on 13.12.2017.

6. Thereafter, the petitioner raised the issue of maintainability of the objections as being time barred in view of section 34(3) of the Arbitration Act. The matter was listed for arguments on the aspect of the objections being barred by limitation on 27.10.2018, 23.02.2019 and the learned trial court on 15.01.2025 directed that the issue qua maintainability shall be addressed at the threshold.

7. The learned trial court *vide* order dated 09.10.2025 held that the objections filed by the respondent were not barred by limitation as the Gas Sale Agreement dated 01.11.2011 entered into between the parties expressly stated in Clause 24 that any notice or communication is to be sent through registered post whereas the learned sole arbitrator has sent the arbitral award through speed post. Furthermore, it was noted that the address of the respondent is incomplete on the original Speed Post receipt, and thus, the presumption of service cannot arise.

8. Learned counsel for the petitioner submits that the learned Trial

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Court has erred in holding that the objections filed by the respondent under Section 34 of the Arbitration Act were within limitation. Section 34(3) provides that an application for setting aside an arbitral award has to be made within three months from the date on which the party making the application has received the arbitral award. Thus, the relevant date is the date of receipt of the signed copy of the award and not the date on which the party subsequently claims to have acquired knowledge of the award.

9. In the present case, the signed copy of the award dated 24.03.2017 was dispatched by the learned Sole Arbitrator on the same date and the postal record shows its delivery on 25.03.2017. The limitation under Section 34(3), therefore, commenced from 25.03.2017. The petitioner relies upon ***Union of India v. Popular Construction Co.***[1]**,** in support of the submission that the period prescribed under Section 34(3), including the further period of thirty days available under the proviso, is mandatory.

10. He has submitted that the delivery of the award on 25.03.2017 is sufficiently established. The signed copy of the award was sent by the learned sole arbitrator on 24.03.2017 by Speed Post under consignment number ED229039768IN. The covering letter records the address of the respondent as "Saraswati Concast Pvt. Ltd., 26/2, Shakti Nagar, Delhi-110007", which was the respondent's registered office as reflected in the MCA21 Master Data. The Speed Post receipt also identifies the article as having been addressed to Shaktinagar, Malka Ganj, Delhi-110007. Lastly, the Delivery Report issued by the Malka Ganj Post Office records delivery of the very same article on 25.03.2017. It is also not the case of

[1] **(2001) 8 SCC 470**

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the respondent that the registered office had been changed.

11. He has also submitted that it is pertinent to note the presumption which arises in the light of Section 3(1)(a) of the Arbitration Act and Section 27 of the General Clauses Act, 1897. Section 3(1)(a) provides that, unless otherwise agreed, a written communication is deemed to have been received when it is delivered to the addressee personally, or at his place of business, habitual residence or mailing address.

12. Thus, once the award was delivered at the respondent's registered office, receipt for the purposes of the Arbitration Act stood established; it was not necessary for the petitioner to prove the identity of the individual who accepted the article on behalf of the company. Section 27 of the General Clauses Act further raises a rebuttable presumption of service where a document is properly addressed and sent through post. To this effect, he has relied on the case of Hon'ble Bombay High Court in ***Apex Encon Projects Pvt. Ltd. & Anr. v. L&T Finance Ltd. & Ors.***[2]**.**

13. *Per contra,* learned counsel for the respondent, at the outset, has submitted that the present petition under Article 227 of the Constitution of India is not maintainable. The supervisory jurisdiction under Article 227 is to be exercised sparingly in matters arising under the Arbitration Act and not as a substitute for an appellate remedy. The respondent relies upon ***Deep Industries Ltd. v. Oil and Natural Gas Corporation Ltd.***[3] and ***Bhaven Construction v. Executive Engineer, Sardar Sarovar Narmada Nigam Ltd.***[4]**,** in support of the limited scope of interference under Article 227.

14. It is further submitted that the petitioner has an efficacious remedy

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[2] **2015 SCC OnLine Bom 6602**
[3] **(2020) 15 SCC 706**
[4] **(2022) 1 SCC 75**

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in the ordinary course of the proceedings. The question of limitation can be considered along with the final adjudication of the objections under Section 34 and, if the award is ultimately set aside, the petitioner would have a statutory remedy under Section 37(1)(c) of the Arbitration Act. The present challenge, therefore, seeks to invite this Court to re-appreciate a finding recorded by the learned trial court at an interlocutory stage. Such re-appreciation of evidence is outside the limited scope of supervisory jurisdiction under Article 227.

15. On merits, he has submitted that the learned trial court has returned a finding of fact on the basis of the very documents relied upon by the petitioner. The original Speed Post receipt dated 24.03.2017 does not bear the complete address of the respondent as reflected in its MCA records. The receipt merely records "Saraswati Concast PV" and "Shaktinagar Malka Ganj, PIN-110007" and does not contain the complete address, including the premises number, i.e. 26/2, Shakti Nagar. The Delivery Report only records delivery of the article bearing the particular consignment number; it does not establish that the article was delivered to the respondent company or to any of its directors.

16. He has also submitted that the distinction is material because the statutory presumption of service can arise only where the communication is properly addressed to the addressee. In ***G.E. Money Financial Services Pvt. Ltd. v. Subhadra Devi & Anr.***[5]**,** this Court held that a presumption of delivery cannot be drawn where the postal receipt does not disclose the complete or correct address of the recipient. He has submitted that the present case stands on the same footing: the postal receipt relied upon by the petitioner does not establish that the award was

[5] **FAO 493/2012 / 2012 SCC OnLine Del 6152**

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Signing Date:14.10.2026
19:11:31

sent to the respondent's complete address.

17. Similarly, he has submitted that the reliance upon Section 27 of the General Clauses Act is misplaced. The presumption under the provision cannot arise in the abstract merely because a postal article is shown to have been delivered. The foundational requirement of proper addressing must first be satisfied. In the present case, the Speed Post receipt itself does not establish dispatch to the respondent's complete address and the Delivery Report does not identify the respondent as the recipient. The learned District Court was, therefore, justified in declining to draw a presumption of service.

18. Lastly, he has submitted that the learned trial court has neither acted without jurisdiction nor committed any perversity warranting interference under Article 227. The finding that the award was not duly served on the respondent is based upon the postal documents placed on record by the petitioner itself. The present petition essentially seeks a different appreciation of those documents at an interlocutory stage. The same does not furnish a ground for exercise of the supervisory jurisdiction of this Court. The petition is accordingly liable to be dismissed and the Section 34 proceedings permitted to proceed on merits.

19. Heard. Perused the records.

20. The scope of the present petition is narrow. The question is confined to whether the signed copy of the award can be said to have been delivered to the respondent on 25.03.2017 and, consequently, whether the objections filed on 13.12.2017 were within the period prescribed under Section 34(3) of the Arbitration Act. The answer to this question, in turn, depends upon the postal reports relied upon by the petitioner, namely, the Speed Post receipt and the Delivery Report, and

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19:11:31

whether the address appearing thereon was sufficient to attract the presumption of service.

21. This question has to be considered keeping in view the limited jurisdiction available to this Court under Article 227 of the Constitution. Section 5 of the Arbitration Act reflects the legislative intent of minimal judicial intervention in arbitral proceedings. In ***Deep Industries Ltd. (supra)***, the Supreme Court held that although the jurisdiction under Article 227 is not excluded, the High Court must be extremely circumspect in exercising it in matters arising under the Arbitration Act. Interference is warranted only in exceptional cases, including where the order under challenge suffers from a patent lack of inherent jurisdiction.

22. The same principle was reiterated in ***Bhaven Construction (supra)***. The Supreme Court cautioned against permitting Article 227 to become a parallel avenue for challenge to orders passed in arbitral proceedings. The jurisdiction is to be exercised only in exceptional circumstances and within the framework of the legislative policy of minimal judicial intervention. The present Court is, therefore, not sitting as an appellate Court over the order of the learned trial court. A different view of the evidence or a possible error in appreciation of the documents would, by itself, not justify interference under Article 227.

23. At the same time, the issue before the Court concerns the very commencement of limitation under Section 34(3). In ***Union of India v. Tecco Trichy Engineers & Contractors,***[6] the Supreme Court held that delivery of the arbitral award under Section 31(5) is not a matter of mere formality. The delivery by the Arbitral Tribunal and receipt by the party sets in motion the period of limitation under Section 34(3). The same

[6] **(2005) 4 SCC 239**

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principle was reiterated in ***Dakshin Haryana Bijli Vitran Nigam Ltd. v. Navigant Technologies (P) Ltd.***[7]**,** where the Supreme Court held that limitation under Section 34 commences from the date on which the party receives the signed copy of the award in terms of Section 31(5).

24. The question of delivery, therefore, cannot be approached in a cavalier manner. If the award was validly delivered on 25.03.2017, the objections filed by the respondent would be beyond the maximum period prescribed under Section 34(3). If there was no valid delivery on that date, the starting point of limitation would necessarily commence from 16.11.2017, *viz* when the respondent became aware of the execution proceedings. Thus, for the petitioner's challenge to succeed**,** the relied upon postal documents ought to clearly demonstrate that the arbitral award had been delivered at the right address on 25.03.2017. Furthermore, since the effect of holding that the arbitral award was delivered on 25.03.2017 is that the section 34 petition filed by the respondent becomes time-barred, therefore, the relied upon postal documents must be critically examined.

25. The petitioner relies upon the Speed Post receipt dated 24.03.2017 and the Delivery Report to contend that the award was delivered on 25.03.2017. The Speed Post receipt, however, describes the addressee as **"SARASWATI CONCAST PV, SHAKTINAGAR MALKA GANJ, PIN: 110007"**. The respondent's registered office, as reflected in the MCA21 Master Data, is **"26/2, Shakti Nagar, Delhi – 110007"**. Thus, the premises number **"26/2"**, which identifies the particular premises of the respondent, does not find mention in the Speed Post receipt.

26. The issue, therefore, is not whether the postal article was

[7] **(2021) 7 SCC 657**

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Signing Date:14.10.2026
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physically delivered in the area of Shakti Nagar or Malka Ganj. The issue is whether the material establishes that the article was addressed to the respondent at its proper and complete address. The presumption of service can arise only when the foundational requirement of proper addressing is established. The mere fact that an article was delivered at a locality cannot, by itself, establish delivery to a particular company when the address does not identify the premises at which that company is situated.

27. This assumes significance in the present case because "26/2" is not merely an additional description of the locality. It is the premises number which identifies the particular flat, building or premises in Shakti Nagar at which the respondent's registered office is situated. Without this part of the address, the postal receipt does not identify the precise premises to which the communication was addressed. The Delivery Report records delivery of Consignment No. ED229039768IN on 25.03.2017, but it does not, by itself, establish that the article was delivered at 26/2, Shakti Nagar, or that it was received by the respondent. The learned District Court was, therefore, justified in examining whether the postal material was sufficient to establish valid delivery of the award.

28. The presumption under Section 27 of the General Clauses Act cannot be divorced from the requirement that the communication must have been properly addressed. It is only when that foundation is established that the subsequent fact of postal delivery can give rise to a presumption of service. In the present case, the complete address of the respondent is available on the record, but the very document on which the petitioner seeks to find the presumption omits the premises number "26/2". In these circumstances, the finding of the learned District Court

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Signing Date:14.10.2026
19:11:31

that the material was insufficient to establish valid service cannot be said to suffer from a patent lack of jurisdiction or perversity. Re-appreciation of the postal documents to arrive at a different factual conclusion would fall outside the limited scope of Article 227.

29. This Court also deems it apposite to consider and note the submission of the learned counsel for the petitioner that the learned trial court has erred in holding service, contrary to the mode and manner of service prescribed in the arbitration agreement, to be defective service. However, the submission is misconceived. Once it is demonstrated that the complete address was not provided, and thereby, no presumption of service arises, then whether the delivery had been effected in the manner prescribed under Clause 24 is of no consequence.

30. Accordingly, this Court finds no ground to interfere with the impugned order dated 09.10.2025. The material on record does not establish that the signed copy of the arbitral award was duly delivered to the respondent on 25.03.2017 so as to commence the period of limitation under Section 34(3) of the Arbitration Act. The omission of the premises number **"26/2"** from the Speed Post receipt assumes significance, particularly when the same forms part of the respondent's complete registered-office address. The learned Trial Court, therefore, cannot be said to have acted without jurisdiction in holding that the objections under Section 34 were not barred by limitation.

31. The present petition is, accordingly, dismissed. The pending applications, if any, also stand disposed of. The learned Trial Court shall proceed with the objections under Section 34 of the Arbitration Act in accordance with law.

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32. The judgment be uploaded on the website forthwith.

AJAY DIGPAUL, J.

OCTOBER 14, 2026
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