Kindly refer the clause 8.1.4 of BIS LRS 2020 which is reproduced below:

8.1.4 If renewal of recognition is pending with BIS due to any reason which cannot be assigned to the lab, though renewal application along with requisite fees/ dues have been received before the expiry date of recognition, the lab shall be allowed to function as a recognized lab till a decision on the renewal application is taken by BIS.

In your case, the renewal application has been received and same is being processed for renewal of recognition at the earliest. In view of the above clause of BIS LRS 2020, your BIS recognition under LRS 2020 is still valid and you may continue functioning normally under BIS LRS 2020. The renewal of your laboratory is being processed on priority.