



IN THE HIGH COURT OF JUDICATURE OF BOMBAY
BENCH AT AURANGABAD

944 ARBITRATION APPLICATION NO. 22 OF 2024 WITH
945 ARBITRATION APPLICATION NO. 23 OF 2024 WITH
946 ARBITRATION APPLICATION NO. 24 OF 2024 WITH
947 ARBITRATION APPLICATION NO. 25 OF 2024 WITH
948 ARBITRATION APPLICATION NO. 26 OF 2024 WITH
949 ARBITRATION APPLICATION NO. 27 OF 2024 WITH
950 ARBITRATION APPLICATION NO. 28 OF 2024 WITH
951 ARBITRATION APPLICATION NO. 29 OF 2024 WITH
952 ARBITRATION APPLICATION NO. 30 OF 2024 WITH
953 ARBITRATION APPLICATION NO. 31 OF 2024

Satish Budhajirao Shinde & another

....Applicants

VERSUS

The Project Director,
National Highway Authority of India
& another

.....Respondents

Mr. A. B. Gaikwad-Patil, Advocate for the Applicants.

Mr. Mr. U. R. Awate, Advocate for Respondent No. 1.

CORAM : R. M. JOSHI, J.

DATE : 12th DECEMBER, 2024.

PER COURT :

1. These applications are moved seeking extension of tenure of the Arbitrator appointed under Section 3G(5) National Highways Act, 1956.

2. There is no dispute about the fact that in respect of the lands acquired under National Highways Act, a dispute arose with

regard to the correctness of the compensation. In view of the above provisions, an application was moved before the Collector, who acts as an Arbitrator for decision of the said dispute.

3. Section 3G(5) of the Act provides that if the amount determined by the competent authority under sub-section (1) or sub-section (2) is not acceptable to either of the parties, the amount shall, on an application by either of the parties, be determined by the Arbitrator to be appointed by the Central Government. Undisputedly, the Collector is appointed as Arbitrator by Central Government in this regard. The proceedings were initiated by the Applicants, details of which are as follows :-

Sr. No.	Case No.	Name of Applicant	Date of filing Arbitration Application.
01.	Arbitration Application No. 22/2024	Satish Budhajirao Shinde	17.07.2018
02.	Arbitration Application No. 23/2024	Satish budhajirao Shinde	13.06.2018
03.	Arbitration Application No. 24/2024	Girish Laxman Ubale	05.04.2018
04.	Arbitration Application No. 25/2024	Girish Laxman Ubale	09.04.2018
05.	Arbitration Application No. 26/2024	Devendra Laxman Ubale	09.04.2018
06.	Arbitration Application No. 27/2024	Jagganath Bhimaji Santre	26.07.2019
07.	Arbitration Application No. 28/2024.	Shahikala Vishwanath Singare	09.04.2018

08.	Arbitration Application No. 29/2024.	Jagganath Bhimaji Santre	05.04.2018
09.	Arbitration Application No. 30/2024.	Laxman Sakahhari Ubale	09.04.2018
10.	Arbitration Application No. 31/2024.	Jagganath Bhimaji Santre	26.07.2019

In the instant case, appointment of Arbitration came to be made by the Central Government by order dated 24.11.2016.

4. It is the contention of Applicants that for the reasons mentioned in the applications, more particularly in paragraph No. 4, the proceedings could not be completed within a period of an year as mandated by Section 29A of Arbitration and Conciliation Act. In such circumstances, it is necessary that the tenure of the Arbitrator is extended for decision of the said dispute.

5. Learned counsel for Respondent has relied upon the judgment of Hon'ble Supreme Court in case of Rohan Builders (India) Private Limited vs. Berger Paints Private Limited, **2024 SCC OnLine 2494**, to contend that for the purpose of extending time of Arbitrator, observations made in paragraph No. 15 of the judgment are required to be considered.

6. The Hon'ble Supreme Court in paragraph No. 15 of the said judgment has observed as under :-

“15. Rohan Builders (India) Pvt. Ltd. (supra) 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 29A(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. The first proviso to Section 29A(4) permits a fee reduction of up to five percent for each month of delay attributable to the arbitral tribunal.

7. Thus, there is no embargo in extending the period of Arbitrator. However, for that purpose, sufficient cause is required to be made out. There is no dispute about the fact that the Collector is the Arbitrator and needless to say that he has responsibility of

administrative work of entire district. Here is the case wherein it cannot be said that there was any intentional act on the part of the authority or the parties so that the arbitration proceedings are not concluded within time. Thus, this case is fully covered by judgment of Hon'ble Supreme Court in case of Rohan Builders (supra).

8. The Hon'ble Supreme Court, however, expressed that such extension of time should not be granted in routine manner and appropriate conditions are required to be imposed upon the parties as well as Arbitrator for completion of arbitration proceedings within stipulated period. Having regard to the facts of the case, this Court finds that directing the Arbitrator to decide the arbitration proceedings within a period of six months would meet the ends of justice.

9. Hence, all the applications stand allowed in above terms.

(R. M. JOSHI)
Judge

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