MHNS010083202025	**Misc. Civil Application No.194 of 2025** **Sanjay Ramdhan Rathod vs. Shriram Finance Ltd., Nashik.** **Order Below Exh. 01.** **(Passed on 10.08.2026)**

Feeling aggrieved by the Arbitration Award dtd. 26.12.2023 in Execution Darkhast No. RD/1821/2024, the applicant / original Judgment-Debtor intended to prefer an appeal. However, the delay of around 20 months has been caused in filing the application against the impugned order passed by the Ld. Arbitrator in Arbitration Case No. SFL/582/2023, the present petition has been filed.

2] It is alleged that the respondent / Finance Company has sanctioned the vehicle loan worth Rs.4 Lakh in the year 2019 for purchasing the Truck bearing No. MH-15-BJ-5175. The applicant was regular in payment of EMIs and had already repaid approximately Rs.3,78,000/- by the year 2020. However, due to sudden out-break of Covid-19 and the national lock-down, transport business of the applicant came to hold and he could not continue paying the EMIs due to the financial hardship.

3] It is alleged that in the year 2021, without any legal notice and without following due process, the officials of the respondent Finance Company seized two trucks belonging to the applicant worth Rs.9,50,000/- and thereafter verbally informed that his account was closed and no dues remain. On such assurance, the applicant did not initiate any legal proceeding.

4] The applicant has no knowledge regarding the arbitration case and its darkhast filed by the respondent in the loan matter. He did not receive any notice invoking arbitration nor having knowledge about the arbitration proceeding or the award passed therein, which is an *exparte*. Even he was not served with the order dtd. 26.12.2023 passed by the Ld. Arbitrator nor received its copy signed by the competent authority. He came to know about such proceedings only in the month of October, 2025 when the notice of the Court was received by him in the execution proceeding on 15.10.2025. Thereafter, he approached the Court. However, delay of around 20 months has been occurred. Hence, the delay condonation application.

5] The respondent Finance Company resisted the application by filing reply. It is contended that the certified copy of the Arbitration Petition passed by the Ld. Arbitrator in SFL/582/2023, dtd. 26.12.2023 was served upon him on 01.02.2024, by postal correspondence. It is further contended that by virtue of clause 34 (3) of the Arbitration and Conciliation Act, 1996, delay beyond the period of thirty days cannot be condoned in any way and therefore, the application deserves to be rejected.

6] Having Heard the Ld. Advocates for the respective parties, the grounds put-forth by the applicant seeking condonation of delay would reveal that he is a person with limited literacy and belongs to working class, he was not provided with the copy of the loan agreement, the repayment schedule, foreclosure statement etc. by the respondent. He was also unaware about the inflicted calculations of the respondent and about the arbitration case and the darkhast. He was also not served the copy of notice or the copy of award, as alleged.

7] Per-contra, from the say filed by the respondent, it would reveal that the applicant has been served by post with the copy that award in SFL/582/2023, dtd. 26.12.2023 on 01.02.2024 itself. The copy of the postal receipt is annexed.

8] The legal grounds raised by the respondent that by virtue of the clause 34 (3) of the Arbitration and Conciliation Act, 1996 it is impermissible to condone the delay beyond the statutory period of thirty days. For that purpose, the reliance placed in the copy of Judgment of the Hon'ble Apex Court in the case of ***P. Radha Bai and Ors. vs. P. Ashok Kumar and Anr., reported in 2018 AIR (SCW) 5013***, wherein the Hon'ble Apex Court has held that :-

> *"(a) Section 34 is the only remedy for challenging an award passed under Part I of the Arbitration Act. Section 34(3) is a limitation provision, which is an inbuilt into the remedy provision. One does not have to look at the Limitation Act or any other provision for identifying the limitation period for challenging an Award passed under Part I of the Arbitration Act. (b) The time limit for commencement of limitation period is also provided in Section 34(3) i.e. the time from which a party making an application "had received the*

Arbitral Award" or disposal of a request under Section 33 for corrections and interpretation of the Award. (c) Section 34(3) prohibits the filing of an application for setting aside of an Award after three months have elapsed from the date of receipt of Award or disposal of a request under Section 33. Section 34(3) uses the phrase "an application for setting aside may not be made after three months have elapsed". The phrase "may not be made" is from the UNCITRAL Model Law and has been understood to mean "cannot be made". The High Court of Singapore in ABC Co. Ltd v. XYZ Co. Ltd, [2003] SGHC 107)

[1 "An application for setting aside may not be made after three months have elapsed from the date on which the party making that application had received the award or, if a request had been made under article 33, from the date on which that request had been disposed of by the arbitral tribunal".*

"The starting point of this discussion must be the Model Law itself. On the aspect of time, Article 34(3) is brief. All it says is that the application may not be made after the lapse of three months from a specified date. Although the words used are 'may not' these must be interpreted as 'cannot' as it is clear that the intention is to limit the time during which an award may be challenged. This interpretation is supported by material relating to the discussions amongst the drafters of the Model Law. It appears to me that the court would not be able to entertain any application lodged after the expiry of the three months period as Article 34 has been drafted as

the all encompassing, and only, basis for challenging an award in court. It does not provide for any extension of the time period and, as the court derives its jurisdiction to hear the application from the Article alone, the absence of such a provision means the court has not been conferred with the power to extend time".

(d) The limitation provision in Section 34(3) also provides for condonation of delay. Unlike Section 5 of Limitation Act, the delay can only be condoned for 30 days on showing sufficient cause. The crucial phrase "but not thereafter" reveals the legislative intent to fix an outer boundary period for challenging an Award.

(e) Once the time limit or extended time limit for challenging the arbitral award expires, the period for enforcing the award under Section 36 of the Arbitration Act commences. This is evident from the phrase "where the time for making an application to set aside the arbitral award under Section 34 has expired'. There is an integral nexus between the period prescribed under Section 34(3) to challenge the Award and the commencement of the enforcement period under Section 36 to execute the Award.

[2 36. Enforcement. - Where the time for making an application to set aside the arbitral award under section 34 has expired, or such application having been made, it has been refused, the award shall be enforced under the Code of Civil Procedure, 1908 (5 of 1908) in the same manner as if it were a decree of the Court.]"*

9] It is quite evident that beyond maximum period of thirty days as prescribed U/Sec. 34 (3), further delay cannot be condoned by resorting provision of Sec.5 of the Limitation Act. In view of the above, the application deserves to be rejected in terms of order below :-

ORDER

Misc. Civil Application No.194 of 2025 stands rejected.

(Pronounced and dictated in the open Court).

KATHARE VIVEK VITHALRAO
Digitally signed by KATHARE VIVEK VITHALRAO
Date: 2026.08.11 16:02:08 +0530

Place : Nashik
Date : 10.08.2026

(V. V. Kathare)
Additional Sessions Judge,
Nashik