

CNR No. PBBT010061362023

Case No. ARB/258/2023



Presented on : 30-05-2023

Registered on : 31-05-2023

RBT : 26-04-2024

Decided on : 10-10-2025

**IN THE COURT OF
Additional District Judge, Bathinda
Presided Over by Sh. Rajiv Kalra (PB0098)**

(Arising out of Arbitration Case no.73 of 2017 concerning land of Balhar Vinjhu)

ARB/258/2023

Ravinder Kumar son of Gora Lal resident of village Balahar
Vinjhu, Tehsil and District Bathinda

.....Petitioner (landowner)

Versus

1. Union of India, through its Secretary, Ministry of Shipping road, Transport and Highways, (Development of Road Transport and Highways), Transport Bhawan, Parliament Street, New Delhi.
2. Sub Divisional Magistrate, Bathinda District Bathinda, Punjab (competent authority under N.H. Act)
3. Arbitrator -cum- Commissioner, Faridkot Division, Faridkot.
4. Sunita Rani wife of Ram Rattan resident of village Balhar Vinjhu, Tehsil and District Bathinda;
5. Sunny son of Ram Rattan resident of village Balhar Vinjhu, Tehsil and District Bathinda
6. Sham Sunder son of Chiranji Lal resident of village Balhar Vinjhu, Tehsil and District Bathinda.

.....Respondents

PETITION UNDER SECTIONS 29-A OF THE ARBITRATION & CONCILIATION ACT 1996 FOR ENLARGEMENT OF MANDATE OF ARBITRATOR TO DECIDE ARBITRATION CASE NO.73/2017 WHICH WAS PENDING BEFORE ARBITRATOR CUM COMMISSIONER, FARIDKOT DIVISION, FARIDKOT.

Present: Shri Abhey Singla, Advocate, counsel for petitioner (landowner)
Shri Kamaljit Bansal, Advocate, counsel for respondent no.1
Service of respondents no.2 and 3 dispensed with.

O R D E R
(Delivered on 10-10-2025)

1) The Government of India has initiated acquisition process to acquire the land of various villages for building, widening/four laning, maintenance, management, and operation of National Highway no.15 on the stretch of land from KM 265.700 to KM 287.215 (Bathinda Section) in District Bathinda. Thereafter, the Competent Authority Land Acquisition Collector - cum- Sub Divisional Magistrate, Bathinda (for short, 'CALA'), announced the award under Section 3G(1) of the National Highways Act, 1956. Feeling dissatisfied by the award of meager compensation of the acquired land, the petitioner referred the matter under Section 3G(5) of the National Highways Act, 1956 to the Sole Arbitrator - cum- Commissioner, Faridkot Division, Faridkot, for enhancement of compensation vide reference no. 73 of 2017.

2) During the course of arbitral proceedings, the Sole Arbitrator passed the impugned order dated 04.10.2022 terminating the mandate in terms of Section 29-A (4) of the Arbitration & Conciliation Act, 1996 and the relevant part of the impugned order is reproduced herein below:

“.....During hearing, it has come to my notice that the acquisition was compulsory in nature, by virtue of National Highway Act, 1956 and was carried out for constructing highways. The Divisional Commissioner, Faridkot Division, Faridkot has been appointed as Arbitrator in such cases to resolve the issues involved, arising out of such compulsory acquisition. The said arbitration mechanism has been built to ensure that the land losers are duly heard for getting their rightful compensation.

However, due to administrative exigencies, the Divisional Commissioners have been regularly transferred. In, inevitably, had the effect of pushing the time for completing the said arbitration and therefore some matters (such as this) pending before the Arbitrator Award could not be adjudicated in the mandate period.

Meanwhile, the law was amended, and by virtue of Section 23(4) and Section 29-A of the Arbitration and Conciliation Act, 1996 (Arbitration Act), the mandate of the Arbitrator to decide the present case has been seemingly expired.

However, we cannot afford to loose the sight of the fact that a huge public interest is involved in such cases, and the land losers whose land has been compulsory acquired by virtue of National Highway Act 1956 may stand to further loose, if they are not heard for their claim/compensation.

The case was instituted on 06-12-2017 before Statutory Original Arbitrator i.e., Commissioner, Faridkot Division, Faridkot. Therefore, keeping in view the provisions of the Arbitration Act, the parties are directed to approach the principal Civil Court original jurisdiction in the district to seek extension of time for completing the aforesaid arbitration process, as provided in the Arbitration Act.

To further plug the delay and in view of proviso to Section 29-A (4) of the Arbitration Act, the applicant parties are further directed to supply a copy of the application filed before the principal Civil Court of original jurisdiction in the district for extension of period to the office of the Arbitrator.”

3) Under these compelling circumstances, the landowner (hereinafter referred as ‘the petitioner’), approached this Court under Section 29-A (4) and 29-A (5) of the Arbitration and Conciliation Act, 1996 for extension of period for deciding and re-determination of compensation payable to them after the mandate of the arbitrator stood terminated.

4) The respondents have vehemently opposed the request for extension on the premise that the petition has been filed after much gap of time and otherwise, the delay occurred in conclusion of the arbitration proceedings could not be attributed to the respondents. The respondents found fault in the petitioner for delayed arbitration proceedings by taking numerous adjournments during the arbitration proceedings. It has been further averred that the petitioner has waived of his rights for extension of time if the Sole Arbitrator could not conclude the arbitration proceedings due to his professional compulsion. All other averments and allegations have been denied and with these averments and allegations, the respondents have prayed for dismissal of the petitions.

5) I have heard and considered the rival contentions of both sides.

6) The provisions of Section 29A were introduced in the Arbitration Act w.e.f. 23 October 2015 by Act 3 of 2016 (Amendment Act 2015) and it was further substituted by Act 33 of 2019 (Amendment Act 2019) with effect from 30 August 2019. The initial amendment of 2015 related to the arbitration proceedings and the substituted provisions of Section 29A after amendment in the year 2019 were related to the domestic arbitration proceedings while excluding the international commercial arbitration. The provisions of Section 29-A post Amending Act 2019 are reproduced herein below:

Section 29A: (1) The award in matters other than international commercial arbitration shall be made by the arbitral tribunal within a period of twelve months from the date of completion of pleadings under Sub-section (4) of Section 23.

Provided that the award in the matter of international commercial arbitration may be made as expeditiously as possible and endeavor may be made to dispose of the matter within a period of twelve months from the date of completion of pleadings under Sub-section (4) of Section 23.

(2) If the award is made within a period of six months from the date the arbitral tribunal enters upon the reference, the arbitral tribunal shall be entitled to receive such amount of additional fees as the parties may agree.

(3) The parties may, by consent, extend the period specified in Sub-section (1) for making award for further period not exceeding six months.

(4) If the award is not made within the period specified in Sub-section (1) of the extended period specified under Sub-section (3), the mandate of the arbitrator(s) shall terminate unless the Court has, either prior to or after the expiry of the period so specified, extended the period.

Provided that while extending the period under this Sub-section, if the Court finds that the proceedings have been delayed for the reasons attributable to the arbitral tribunal, then, it may order reduction of fees of arbitrator(s) by not exceeding five per cent for each month of such delay.

Provided further that where an application under Sub-section (5) is pending, the mandate of the arbitrator shall continue till the disposal of the said application.

Provided also that the arbitrator shall be given an opportunity of being heard before the fees is reduced.

(5) The extension of period referred to in Sub-section (4) may be on the application of any of the parties and may be granted only for sufficient cause and on such terms and conditions as may be imposed by the Court.

(6) While extending the period referred to in Sub-section (4), it shall be open to the Court to substitute one or all of the arbitrators and if one or all of the arbitrators are substituted, the arbitral proceedings shall continue from the stage already reached and on the basis of the evidence and material already on record, and the arbitrator(s) appointed under this section shall be deemed to have received the said evidence and material.

(7) In the event of arbitrator(s) being appointed under this section, the arbitral tribunal thus reconstituted shall be

deemed to be in continuation of the previously appointed arbitral tribunal.

(8) It shall be open to the court to impose actual or exemplary costs upon any of the parties under this section.

(9) An application filed under Sub-section (5) shall be disposed of by the court as expeditiously as possible and endeavor shall be made to dispose of the matter within a period of sixty days from the date of service of notice on the opposite party.

7) Sub-section (1) of Section 29A mandates the completion of arbitration proceedings within a period of twelve months from the date of completion of pleadings. Sub-section (3) authorizes the parties to extend the period of arbitration proceedings referred in sub-section (1) for making the award for further period not exceeding six months. The next sub-section (4) terminates the mandate of arbitrator(s) after post period stipulates in sub-section (1) or (3). However, proviso to sub-section (4) & sub-section (5) empowers the Civil Court to extend the period of arbitral tribunal only for sufficient cause and on such terms and conditions, as may be imposed by the Court.

8) Now reverting to the case in hand and the bare perusal of the order passed by the Sole Arbitrator stipulates that the delay occurred due to administrative exigencies by frequent transfers of the Divisional Commissioners. This aspect has not been disputed by either of the parties in their respective pleadings. Although, the respondents imputed allegations against the petitioner for causing delay in arbitration proceedings, but the impugned order does not ratify such claim. Thus, the delay caused could not be attributed to conduct of either party and it was due to frequent transfers of the Divisional Commissioners.

9) The Sole Arbitrator, while terminating the mandate, has also opined that a huge public interest is involved in such cases, and the land losers whose land have been compulsory acquired by virtue of National Highway Act 1956, may stand to further loose, if they are not heard for their claim/compensation.

10) Having regard to such sufficient cause being shown in the order of the Sole Arbitrator, there is no legal impediment with this Court to extend the period for another period of six (06) months to conclude the arbitration proceedings. In such circumstances, no prejudice would be caused to either party. Rather, it would help the Sole Arbitrator in adjudicating the references and to settle the dispute simmering between the parties regarding the extent of compensation payable to the landowners, whose lands have been compulsory acquired for widening of the National Highways.

11) In the light of discussion made above, the petition is allowed while extending the period for six (06) months to conclude the arbitration proceedings by the Sole Arbitrator -cum- Commissioner, Faridkot Division, Faridkot, after securing the presence of both parties.

12) Copy of the order be sent to the Sole Arbitrator -cum- Commissioner, Faridkot Division, Faridkot for information and necessary compliance.

13) Record of this Court be consigned.

PRONOUNCED IN OPEN COURT ON 10th OCTOBER 2025

RAJIV KALRA (PB0098)
Additional District Judge, Bathinda

Typed by: manju
Stenographer Grade-1