IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

Arbitration Case No. 138 of 2026
Date of decision : 29.07.2026.

Sh. Ajay Kumar & others ...Petitioners.

Versus

National Highway Authority of India & another ...Respondents.

Coram:

The Hon'ble Mr. Justice Romesh Verma, Judge.
Whether approved for reporting?[1]

For the Petitioners: Mr. Arvind Sharma, Senior Advocate with Ms. Kiran Sharma, Advocate.

For the Respondents: Ms. Shreya Chauhan, Advocate, for respondent No.1.

Mr. Baldev Singh Negi, Additional Advocate General, for respondent No. 2.

Romesh Verma, Judge (oral)

Notice.

2. Ms. Shreya Chauhan, Advocate, and Mr. Baldev Singh Negi, learned Additional Advocate General, appear and waive service of notice on behalf of respondents No. 1 and 2, respectively.

3. The present petition under Section 29 (A) (5) of the Arbitration and Conciliation Act, 1996 has been filed by the petitioners seeking extension of time for completion of the arbitral proceedings in Arbitration Reference Case No. 127 of 2023, titled as Sh. Ajay Kumar vs. NHAI & others, pending before the Divisional Commissioner-cum-Arbitrator,

[1] ***Whether reporters of Local Papers may be allowed to see the judgment?***

High Court of H.P.

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Shimla, District Shimla, H.P. exercising the powers of Arbitrator under Section 3 of the National Highways Act, 1956.

4. The arbitral dispute has arisen out of the land acquired in District Shimla, H.P. for the purpose of construction of the National Highway, land for which has been acquired under the provisions of National Highways Act, 1956.

5. Feeling aggrieved by the award passed by the competent authority, the land owners have preferred Arbitration Reference Case No. 127 of 2023 before the Divisional Commissioner-cum-Arbitrator at Shimla, District Shimla, H.P. and non adjudication of the arbitral proceedings within the statutory period has resulted in filing of the instant petition.

6. The Reference Petition against the Award was filed by the land owner in the year 2023. According to the petitioners, on account of unforeseen circumstances in the case, has resulted in unnecessary delay in the announcement of the award by the learned Arbitrator, i.e. the Divisional Commissioner-cum-Arbitrator, Shimla, District Shimla, H.P.

7. This Court has gone through the material available on record carefully and finds that the proceedings have been conducted by the Arbitrator in violation of statutory provisions, as contained in the Arbitration and Conciliation Act, 1996. This Court is of the view that when a statute envisages an authority, be it an Arbitrator, to do a

High Court of H.P.

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particular act in a particular manner and in a prescribed time schedule, then the onus is upon the said authority/Arbitrator to perform the task entrusted to it within the time schedule prescribed in the statute. The delay, if any, has to be bonafide and explainable. However, in the present petition even after completion of the pleadings, the Arbitrator has closed the proceedings since the time limit for arbitral proceedings to pass an award had elapsed.

8. In view of aforesaid discussions and taking into consideration the attending facts and circumstances of the instant case, the Arbitrator-cum-Divisional Commissioner, Shimla, District Shimla, H.P., exercising the powers of Arbitrator under Section 3 of the National Highways Act, 1956 is directed to conclude the arbitral proceedings and to pass the arbitral award in Arbitration Reference Case No.127 of 2023, on or before **28th January, 2027.**

The petition stands disposed of in the aforesaid terms.

(Romesh Verma)
Judge

July 29, 2026
(Nisha)

High Court of H.P.

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