



2026:CGHC:23063-DB

NAFR

**HIGH COURT OF CHHATTISGARH AT BILASPUR**

**ARBA No. 28 of 2026**

1 - Sagarmal Agrawal S/o Dhansiram Agrawal Aged About 70 Years R/o  
Karkhana Area, Katghora, District Korba C.G., Chhattisgarh

--- **Petitioner(s)**

**versus**

1 - Deputy Chief Engineer South Eastern Central Railway Bilaspur, Tahsil  
And District Bilaspur C.G.

2 - Sub Divisional Officer Revenue Cum Land Acquisition Officer Katghora,  
District Korba C.G.

---- **Respondents**

(Cause-title taken from Case Information System)

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For Appellant : Mr. Vikas Kumar Pandey, Advocate

For Respondent No.1 : Mr. Ramakant Mishra, DSG

For State/Respondent No.2 : Mr. Ajay Kumrani, P.L.

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**Division Bench**

**Hon'ble Shri Parth Prateem Sahu, Judge**

**Hon'ble Shri Sachin Singh Rajput, Judge**

**Order On Board**

**Per Parth Prateem Sahu, Judge**

**14.05.2026**

1. This arbitration appeal U/s. 13 of the Commercial Courts Act, 2015 (hereinafter, referred as "the Act of 2015") is filed against the order dated 01.12.2025, passed in MJC Case No. unregistered/2021, passed by 2<sup>nd</sup> District Judge (Commercial Court), District Judge Level

District Bilaspur (C.G.), whereby application filed by appellant U/s. 34 of the Arbitration and Conciliation Act, 1996 (herein after referred as 'the Act of 1996") has been rejected holding it to be barred by limitation.

2. Facts relevant for the disposal of this appeal are that a part of the land admeasuring 0.053 hectares, out of the total land area of 0.121 hectares owned and possessed by the appellant, bearing Khasra No. 144/2 and situated at Village Mohanpur, PH No. 1, Tahsil Katghora, District Korba, was acquired by Indian Railways for construction of Gevera Road to Pendra Road under East Rail Corridor, Special Rail Project of Government of India under the Indian Railways Act, 1989. Determined compensation and awarded compensation of Rs.9,34,500/- in favour of appellant vide order dated 07.07.2016. Feeling aggrieved by the quantum of compensation awarded, appellant filed an application before the Arbitrator-cum-Additional Commissioner, Bilaspur Division, Bilaspur, seeking enhancement of the award amount under Section 20F the Railways Act, 1989. The Arbitrator, without properly considering the grounds raised by the appellant, rejected the application holding that the compensation assessed by the Land Acquisition Officer was just and proper and it is in accordance with the prevailing market rate. Aggrieved by the award dated 28.08.2023 passed by the Arbitrator, the appellant thereafter filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 before the Court of the 2nd Additional District Judge (Commercial Court), District Judge Level, Bilaspur, which came to be dismissed by the order impugned holding that the application is barred by limitation.

3. Learned counsel for the appellant would submit that the impugned order passed by the 2<sup>nd</sup> District Judge (Commercial Court), District Judge Level District Bilaspur (C.G.) rejecting the claim of appellant on the ground of limitation is bad in law and erroneous. He would further submit that the impugned order passed by the learned Commercial Court is contrary to the law applicable to the facts and circumstances of the case. He submits that the Court failed to properly consider the cause of delay in filing the application, as the appellant, being an aged person, could not collect the necessary documents in time and, owing to ill health, was unable to file the application within the prescribed period. By the impugned order, the appellant stands deprived of his valuable and substantive right to seek adjudication of his claim on merits. Such a valuable right cannot be defeated or taken away merely on account of technical irregularities, particularly when the delay occurred due to bona fide and unavoidable circumstances beyond the control of the appellant. He also submits that Land Acquisition Officer while assessing the award against acquisition of land of appellant, failed to consider the correct market value and existing guidelines framed for determination of compensation at the relevant point of time. As the land acquired was the sole source of livelihood and income of the appellant, acquisition of the said land without awarding proper compensation is illegal. Therefore, rejection of the application under Section 34 of the Act, 1996 by the learned Commercial Court solely on the ground of a delay of six months is unsustainable in the eyes of law.
4. Learned counsel for respondents opposes the submission of learned counsel for appellant and supports the impugned order. They however, submits that in absence of any notification issued by the Central

Government under Section 2 (1) (c) (xxii) covering arbitration dispute governed by the provisions of the Act of 2015, the proceedings initiated by the appellant under Section 34 of the Act of 1996 were not maintainable before the Commercial Court, and that the appropriate authority competent to consider the appellant's claim would be the Principal District Judge, Bilaspur. In support of his contention, he placed reliance upon the decision of Coordinate Bench of this Court in case of **Anand Khedia & Ors. Vs. Commissioner-cum-Arbitrator, Bilaspur, Division Bilaspur, in Arbitration Appeal No. 26 of 2025, decided on 22.04.2026.**

5. At this stage, learned counsel for the appellant submitted that the appellant had initiated the proceedings before the Commercial Court on the basis of the notification dated 20.12.2023 issued by the State Government, Law and Legislative Affairs Department, wherein it was prescribed that disputes valued between Rupees Ten Lakhs to Rupees Fifty Lakhs would fall within the jurisdiction of the Court of the 2nd Additional District Judge, Commercial Court (District Judge Level), Bilaspur. Therefore, the appellant filed the application under Section 34 of the Arbitration and Conciliation Act, 1996 before the said Court.
6. We have heard learned counsel for parties and perused the documents placed on record.
7. The short question involves in this appeal is "Whether the award passed by the Arbitrator/Additional Commissioner, Bilaspur Division, Bilaspur can be questioned before the 2<sup>nd</sup> Additional District Judge, Commercial Court (District Judge Level), Bilaspur".

8. Perusal of the record would show that land admeasuring 0.053 hectares out of total 0.121 hectares, bearing Khasra No. 144/2 situated at Village Mohanpur, PH No. 1, Tahsil Katghora, District Korba, owned by the appellant, was acquired by Indian Railways for construction of Gevra Road to Pendra Road under the East Rail Corridor Special Rail Project under Section 2(7) of the Railways Act, 1989. An award dated 07.07.2016 was passed granting compensation of Rs. 9,34,500/-. Dissatisfied with the compensation, the appellant filed an application before the Arbitrator/Additional Commissioner, Bilaspur Division, seeking enhancement under the Act of 2013 read with Section 20F of the Act, 1989, which was rejected on the ground that the compensation awarded was just and in accordance with market value. Challenging the award dated 28.08.2023, the appellant filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 before the 2nd Additional District Judge (Commercial Court), Bilaspur, which was dismissed by the impugned order on the ground of limitation.
9. Similar issue came up for consideration before the Coordinate Bench of this Court in which one of us (Justice Sachin Singh Rajput) was member, in case of **Anand Khedia (supra)**, wherein it observed thus :-

“6. The short question involved for consideration in this appeal is, “whether the award passed by the Statutory Arbitrator under Section 3G(7) of the Act of 1956 can be questioned through an application under Section 34 of the Act of 1996 ? If yes, which would be the competent Court to hear and decide the said application ?”

7. In order to consider the plea raised at the Bar, it would firstly be appropriate to notice the provisions

contained under the National Highways Act, 1956. The Act of 1956, being a complete code in itself, provides for a grievance redressal mechanism. Sections 3G (5), (6) and (7) of the Act of 1956 directly relates to calculation of compensation related grievances and state as under :-

**“3G. Determination of amount payable as compensation. –**

(1) to (4)                      XXX                      XXX

(5) 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.

(6) Subject to the provisions of this Act, the provisions of the Arbitration and Conciliation Act, 1996 (26 of 1996) shall apply to every arbitration under this Act.

(7) The competent authority or the arbitrator while determining the amount under sub-section (1) or sub-section (5) as the case may be, shall take into consideration -

(a) the market value of the land on the date of publication of the notification under section 3A;

(b) the damage, if any, sustained by the person interested at the time of taking possession of the land, by reason of the severing of such land from other land;

(c) the damage, if any, sustained by the person interested at the time of taking possession of the land, by reason of the acquisition injuriously affecting his other immovable property in any manner, or his earnings;

(d) if any, consequences of acquisition of the land, the person interested is compelled to change his residence or place of business, the reasonable expenses, if any, incidental to such change.”

8. As per Section 3G(5) of the Act of 1956, if the amount determined by the competent authority 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. In the instant case, the Commissioner, Bilaspur Division has been appointed to be Statutory Arbitrator for resolving the dispute under Section 3G(5) of the Act of 1956. Sub-section (6) of Section 3G clearly mentions that subject to the provisions of the Act of 1956, the provisions of the Act of 1996 shall apply to every arbitration under the Act of 1956. Meaning thereby, that the order passed by the Statutory Arbitrator can be made subject matter of proceeding under Section 34 of the Act of 1996. There is nothing in the scheme of Section 3G of the Act of 1956 to exclude the application of Section 34 of the Act of 1956 vis-a-vis the award of the Statutory Arbitrator passed under Section 3G(5) of the Act of 1956. As such, it is apparently vividly clear that the award by the Statutory Arbitrator can be questioned before the Court of competent jurisdiction under Section 34 of the Act of 1996, like any other award by an Arbitrator. The first point is answered accordingly.

9. Coming to the second point, the order dated 13/09/2021 (Annexure A/9) passed by the Statutory Arbitrator, Commissioner, Bilaspur Division under Section 3G(7) of the Act of 1956 was challenged by way of application under Section 34 of the Act of 1996 before the District Judge, Bilaspur, however, by order dated 07/02/2024, in light of the notification dated 20/12/2023 issued by the State Government through the Law and Legislative Affairs Department, the District Judge transferred the matter to the 2<sup>nd</sup> Additional District Judge, Commercial Court (District Judge Level) for hearing and disposal in accordance with law holding that the matter at hand is a commercial dispute and therefore, Commercial Court would be competent to resolve the said dispute.

10. At this stage, it would be appropriate to notice the object of the Commercial Courts Act, 2015 as well as the provisions contained thereunder. The Act of 2015 is an act to provide for the constitution of Commercial Courts, Commercial Division and Commercial Appellate Division in the High Courts for adjudicating commercial disputes of specified value and matters connected therewith or incidental thereto. Section 2(1)(c) of the Act of 2015 defines commercial dispute, which states as under :-

**“2. Definitions. – (1) In this Act, unless the context otherwise requires, -**

(a) XXX

(b) XXX

(c) “commercial dispute” means a dispute arising out of -

(i) ordinary transactions of merchants, bankers, financiers and traders such as those relating to mercantile documents, including enforcement and interpretation of such documents;

(ii) export or import of merchandise or services;

(iii) issues relating to admiralty and maritime law;

(iv) transactions relating to aircraft, aircraft engines, aircraft equipment and helicopters, including sales, leasing and financing of the same;

(v) carriage of goods;

(vi) construction and infrastructure contracts, including tenders;

(vii) agreements relating to immovable property used exclusively in trade or commerce;

(viii) franchising agreements;

(ix) distribution and licensing agreements;

(x) management and consultancy agreements;

(xi) joint venture agreements;

(xii) shareholders agreements;

(xiii) subscription and investment agreements pertaining to the services industry including outsourcing services and financial services;

(xiv) exploitation of oil and gas reserves or other natural resources including electromagnetic spectrum;

(xv) insurance and re-insurance;

(xvi) contracts of agency relating to any of the above; and

(xvii) such other commercial disputes as may be notified by the Central Government.”

11. Further, Section 3 of the Act of 2015 provides for constitution of Commercial Courts. Section 6 of the Act of 2015 speaks about the jurisdiction of Commercial Court and states that the Commercial Court shall have

jurisdiction to try all suits and applications relating to a commercial dispute of a specified value arising out of the entire territory of the State over which it has been vested territorial jurisdiction.

12. A matter will fall under the jurisdiction of the Commercial Court or the Commercial Division of the High Court on the following two factors :-

(i) it shall be a commercial dispute within the meaning of Section 2(1)(c) of the Act of 2015; and

(ii) such commercial disputes are of a specified value as per Section 2(i) of the Act of 2015.

13. Thus, from the scheme of the Act of 2015, it is apparent that only a commercial dispute can be tried by a commercial Court. For a dispute to qualify as commercial dispute, it must fall within one of the clauses of Section 2(1)(c) of the Act of 2015. A dispute will not become a commercial dispute merely because it is an arbitration matter and jurisdiction in respect with an arbitration matter has been dealt with separately under Sections 10 and 15(2) of the Act of 2015. Every application filed under Section 34 of the Act of 1996 cannot be transferred to the Commercial Court under Section 15(2) of the Act of 2015 and only such applications will be required to be transferred, which are relating to a commercial dispute of a specified value covered under Section 2(1)(c) read with Section 2(i) of the Act of 2015.

14. Admittedly, the dispute involved in this matter is not covered by Section 2(1)(c) clauses (i) to (xxii) of the Act of 2015. Clause (xxii) of Section 2(1)(c) of the Act of 2015 enables the Central Government to include any other dispute in the definition of 'commercial dispute' by notification. In the instant case, this Court passed the following order on 21/04/2026 :-

“Mr. Ramakant Mishra, learned Deputy Solicitor General is requested to obtain instructions from the Central Government as to whether any notification under Section 2(1)(c)(xxii) of the Commercial Courts Act, 2015 has been issued. He is further requested to seek instructions on whether disputes arising out of land acquisition for the purpose of construction of highways have been notified as commercial disputes by the Central Government.”

15. Today when the matter is taken up for hearing, Mr. Ramakant Mishra, learned Deputy Solicitor General of India, has produced the e-mail in which the Central Government has sent him the following information :-

“1. No notification under Section 2(1)(c)(xxii) of the Commercial Courts Act, 2015 has been issued by the Ministry of Road Transport & Highways.

2. Further, disputes arising out of land acquisition for the purpose of construction of National Highways have not been notified as commercial disputes by the Ministry of Road Transport & Highways.”

16. In view of the aforesaid information provided by the Central Government through learned Deputy Solicitor General of India which has been brought on record, we have no hesitation in holding that the dispute raised by the appellants firstly before the Statutory Arbitrator and then before the District Judge under Section 34 of the Act of 1996 is not a ‘commercial dispute’ within the meaning of Section 2(1)(c) read with Section 2(i) of the Act of 2015 as a dispute arising out of land acquisition for the purpose of construction of National Highways under the provisions of the Act of 1956 has not been notified by the Central Government as commercial dispute under Section 2(1)(c) of the Act of 2015 and therefore, learned District Judge erred in transferring the application filed by the appellants under Section 34 of the Act of 1996 to the Court of 2<sup>nd</sup> Additional District Judge, Commercial Court (District Judge Level).

17. The Supreme Court, in the matter of **Ambalal Sarabhai Enterprise Limited v. KS Infraspace LLP Limited and Anr. (2020) 15 SCC 585**, has clearly held that a matter will be under the jurisdiction of Commercial Court only if it is a commercial dispute within the meaning of Section 2(1)(c) of the Act of 2015 and such commercial disputes are of specified value as per Section 2(i) of the Act of 2015.

18. The High Court of Uttaranchal, in the matter of **Richa Bisht and Others v. Union of India and Others, 2020 SCC Online Utt 1386**, as well as the High Court of Allahabad, in the matter of **Tulsarani and Another. v. Union of India and Others, 2022 SCC Online All 693**, have taken a similar view which we have taken above and as such, we are in agreement with the view so taken by the High Courts of Uttaranchal and Allahabad, as the appellants’ land has compulsorily been acquired under the provisions of the Act of 1956 for the purpose of construction of National Highway, therefore, the dispute arising out of land acquisition for such purpose cannot be treated as ‘commercial dispute’ under Section 2(1)(c) of the Act of 2015.

19. It is made clear that though notification dated 20/12/2023 issued by the State Government through the Law and Legislative Affairs Department includes arbitration cases but by virtue of Section 10 of the Act of

2015, where the subject-matter of an arbitration is a commercial dispute of a specified value and nature as prescribed therein, only then the said arbitration case would come within the jurisdiction of Commercial Court. It is clarified accordingly.

20. In view of the aforesaid legal discussion and analysis, the final impugned order dated 21/10/2025 (Annexure A/1) passed by the 2<sup>nd</sup> Additional District Judge, Commercial Court (District Judge Level), Bilaspur rejecting the application filed by the appellants under Section 34 of the Act of 1996 as well as the order dated 07/02/2024 passed by the District Judge, Bilaspur refusing to entertain the application filed by the appellants under Section 34 of the Act of 1996 and transferring the matter to the Commercial Court (District Judge Level) in light of the notification dated 20/12/2023 issued by the State Government through the Law and Legislative Affairs Department, both are hereby set aside. Matter is remitted to the Court of Principal District Judge, Bilaspur for hearing and disposal in accordance with law. It is made clear that this Court has not expressed any opinion on the merits of the matter.

21. Accordingly, this appeal is allowed to the extent indicated herein-above. No cost(s).”

10. In the above referred case also award passed by Competent Authority under Land Acquisition was put to challenge before the Arbitrator, who passed an award on 13.09.2021 denying to interfere with the award. The award of Arbitrator was put to challenge before the District Judge U/s. 34 of the Act of 1996 and it was subsequently transferred to the Commercial Court considering the notification dated 20.12.2023 of the State Government.
11. As the appellant herein filed the proceedings under Section 34 of the Arbitration and Conciliation Act, 1996 arising out of the award passed by competent authority under acquisition of land under the Railways Act, 1989, before the Court of the 2<sup>nd</sup> District Judge (Commercial Court), District Judge Level, District Bilaspur (C.G.), pursuant to the notification dated 20.12.2023 issued by the State of Chhattisgarh, Law

and Legislative Affairs Department, and since the facts of the present case are identical to those considered in the case of **Anand Khedia (supra)**, we are of the view that the present case is covered by the said decision.

12. Since the 2<sup>nd</sup> District Judge (Commercial Court), District Judge Level District Bilaspur (C.G.) is having no jurisdiction to entertain the application under Section 34 of the Act of 1996 arising out of the land acquisition proceedings being not covered under commercial dispute as defined under Section 2 (c) of the Act of 2015, the Commercial Court erred in entertaining the proceeding filed by the appellant before it. The impugned order suffers with the jurisdictional error and therefore, even if the said ground is not raised in this appeal, which goes to the root of the matter, we find it appropriate to consider the issue, on the objection raised by the respondents. The impugned order being without jurisdiction is liable to be and is hereby set-aside. As appellant himself has directly filed the proceedings before the Commercial Court, this Court only make an observation of liberty to the appellant to file appropriate proceedings in accordance with law.
13. Accordingly, the appeal stands disposed of with the aforesaid observation and directions.

Sd/-  
**(Parth Prateem Sahu)**  
Judge

Sd/-  
**(Sachin Singh Rajput)**  
Judge