

**UNION OF INDIA (UOI) Vs. U.P. STATE BRIDGE CORPORATION LTD.**  
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LAWS(SC)-2014-9-130  
**Supreme Court Of India**  
Decided on September 16,2014

**UNION OF INDIA (UOI)**

Appellant

VERSUS

**U.P. STATE BRIDGE CORPORATION LTD.**

Respondents

## **JUDGEMENT**

**Arjan Kumar Sikri, J.** - ( 1. ) LEAVE granted.

( 2. ) COUNSEL for the parties have been heard in detail in this appeal. In order to determine the controversy that is raised in this appeal, which is filed by the Union of India, challenging the decision dated 03.08.2011 of the High Court, minimal facts which require a mention, are the following: The Appellant had entered into an agreement with the Respondent vide which contract for construction of guide bunds, foundation and substructure of Rail Bridge across river Gangaes near Digha Ghat, Patna and the said agreement contained various terms and conditions. Clause 64(1)(ii) of the General Condition of the Contract 2001 (for short 'the GCC'), contained an arbitration clause that is provided for deciding the dispute between the parties through arbitration by an arbitral tribunal to be constituted in terms of the said agreement. Disputes arose between the parties with respect to the said contract and on the request of the Respondent an arbitral tribunal of the persons was constituted in the year 2007, in which all the members were Railway authorities. It is a matter of regret that inspite of expiry of four years, the said tribunal did not complete the arbitral proceeding and the matter kept hanging due to transfers/retirement/adjournments etc.

( 3. ) THE Respondent felt exasperated due to the prolongation of the matter before the arbitral tribunal and chose to file Request Case No. 10/2010. Even at the time of filing of that case, there was a vacancy in the Arbitral Tribunal. When this case was taken up by the High Court on 09.03.2011, by that time, the Appellant had filled up the said vacancy. Taking note thereof, the said petition was disposed of by the High Court vide order dated 09.03.2011 giving the last chance to the Arbitral Tribunal to complete the arbitral proceeding within a period of three months with direction to hold regular sittings at Patna from the date of receipt/production of a copy of the said order. It was also stated in the order dated 09.03.2011 that if arbitration proceedings are not completed within the period fixed by the Court, the Respondent would be at liberty to approach the Court again and the Court would be constrained to pass appropriate order in accordance with the Arbitration and

Conciliation Act, 1996 (hereinafter referred to as 'the Act'). ;

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