

When the government is a party to arbitration, then delivery of an arbitral award to an official who is not aware of the proceedings is not a valid service for commencing the limitation period to challenge the award

The Supreme Court in the case of **Motilal Agarwala vs State of West Bengal [2025 INSC 1062] dated August 28, 2025**, has held that the delivery of the copy of the arbitral award should be made to the “party to the proceedings”, and if government is part to the proceedings then the delivery should be made to an individual who has the knowledge and is the best person to understand and appreciate an award and more particularly, to decide for its challenge.

The Apex Court has clarified that when the government or one of its departments is a party to arbitration, delivery of an arbitral award to an official who is not connected with or aware of the proceedings cannot be treated as valid service for commencing the limitation period to challenge the award.

The Apex Court said that the collection of the award's copy by the Assistant Engineer was not proper delivery of a copy as mandated under the Arbitration and Conciliation Act, 1996, and the same cannot be treated as proper service for commencing the limitation for challenging the award. The Court added that the award should be received in the context of huge organisations by the person who has knowledge of the proceedings and who would be the best person to understand and appreciate the arbitral award.