



CNR: KAHC010277522025

NC: 2026:KHC:42700-DB
MFA No. 3117 of 2025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 12TH DAY OF AUGUST, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MRS. JUSTICE K.S. HEMALEKHA

MISCELLANEOUS FIRST APPEAL NO. 3117 OF 2025 (AA)

BETWEEN:

1. SMT. ANNAPURNAMMA
W/O. RAJAPPA R.S.
AGED ABOUT 74 YEARS
R/O. KALLADEVARAPURA VILLAGE
JAGALURU TALUK
DAVANAGERE DISTRICT
2. SMT. SHANTHAMMA
W/O. R.S. KALLAPPA
AGED ABOUT 70 YEARS
R/O. KALLADEVARAPURA VILLAGE
JAGALURU TALUK
DAVANAGERE DISTRICT
3. SMT. CHANDRAMMA
W/O. R.S. JAYANNA
AGED ABOUT 55 YEARS
R/O. KALLADEVARAPURA VILLAGE
JAGALURU TALUK
DAVANAGERE DISTRICT

...APPELLANTS

(BY SRI ADINARAYANAPPA, ADVOCATE)

AND:

1. NATIONAL HIGHWAYS AUTHORITY OF INDIA,
REPRESENTED BY:



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DGM(T) AND PROJECT CHITRADURGA NHAI
PIU, NH-48, CHITRADURGA

2. ARBITRATOR AND DEPUTY COMMISSIONER
DAVANAGERE DISTRICT
DAVANAGERE
3. SUBHASHCHANDRA BOSE D.T.
S/O. THIPPESWAMY
AGED ABOUT 67 YEARS
AGRICULTURIST
4. D.T. SHIVANANDAPPA
S/O. THIPPESWAMY
AGED ABOUT 67 YEARS
AGRICULTURIST
5. SMT. PUTTAMMA
W/O. RUDRAMUNI
AGED ABOUT 65 YEARS
AGRICULTURIST

RESPONDENT No.3 TO 5 ARE
R/O. KALLEDEVARAPURA VILLAGE
JAGALURU TALUK
DAVANAGERE DISTRICT

...RESPONDENTS

THIS MFA IS FILED UNDER SECTION 37(1)(C) OF THE ARBITRATION AND CONCILIATION ACT, PRAYING TO CALL FOR THE ENTIRE RECORDS FROM THE PRL. DISTRICT AND SESSIONS JUDGE AT DAVANAGERE IN RESPECT OF A.S.NO.8/2019 AND UP TO PERUSING THE RECORDS SET ASIDE THE JUDGEMENT AND DECREE PASSED BY THE PRL. DISTRICT AND SESSIONS JUDGE AT DAVANAGERE IN RESPECT OF A.S.NO.8/2019 ON DATED:- 28/02/2022, WHICH IS PRODUCED AT ANNEXURE-"A" & ETC.

THIS APPEAL, COMING ON FOR ORDERS, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:



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CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE
and
HON'BLE MRS. JUSTICE K.S. HEMALEKHA

ORAL JUDGMENT

(PER: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE)

1. The appellant has filed the present appeal under Section 37(1)(c) of the Arbitration and Conciliation Act, 1996 [**A&C Act**] impugning an order dated 28.02.2022 [**impugned order**] passed by the learned Principal District and Sessions Judge, Davangere [**District Court**] in A.S No.8/2019 captioned '**National Highways Authority of India vs. Arbitrator and Deputy Commissioner and others**'. Respondent No.1 [**NHAI**] had filed the said petition under Section 34 of the A&C Act impugning an order dated 05.10.2018 [**impugned award**] passed by the District Magistrate and Arbitrator (National Highway No.48), Davanagere [**Arbitral Tribunal**], whereby the compensation awarded to the appellants for the subject land was enhanced by 12% as per the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 [**2013 Act**].



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2. The present appeal has been filed after an inordinate delay of 1055 days. The application for condonation of delay does not set out any explanation for the delay, except that the appellants were unable to come to Bengaluru to engage a counsel and were unable to pay the fees on account of their financial condition. It is also stated that the appellants are more than 70 years old and are facing health problems. Although the appellants have set out certain mitigating circumstances, however, we are unable to accept that the same explains a delay of almost three years in filing the present appeal.

3. We note that in **N.V. International vs State of Assam**¹, the Supreme Court took the view that delay beyond the period of 30 days as set out in Section 34(3) of the A&C Act could not be condoned. This view is subsequently overruled in **Government of Maharashtra (Water Resources Department) Represented by Executive Engineer vs. Borse Brothers Engineers and Contractors Private Limited**². The Supreme Court held that the delay beyond 30 days could be condoned and the proviso to

¹ (2020) 2 SCC 109

² (2021) 6 SCC 460



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Section 34(3) of the A&C Act would not control the aspect of condonation of delay in filing an appeal under Section 37 of the A&C Act. However, the court also clarified that the expression 'sufficient cause' was not elastic enough to subsume an inordinate delay.

4. In the aforesaid circumstances, we are unable to accept that the delay in filing the present appeal can be condoned.

5. We have also briefly examined the merits of the present challenge.

6. The appellants claim to be the owners of 1111 sq. mtrs. of land falling in Survey No.7/16AP3 of Bommagatta Village, Jagalur Taluk, Davanagere District. The said land was subject matter of acquisition under the notification dated 30.09.2011 issued under Section 3A(1) of the National Highways Act, 1956 [**NH Act**]. The Special Land Acquisition Officer [**SLAO**] had passed an award dated 26.03.2013 fixing the value of the subject land at ₹2,00,000/- per acre (which translates to ₹49.50 per sq. mtr.) The total compensation was determined considering the value of trees and



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other fixtures, and the amount as determined was paid. Thereafter, the appellants filed an application under Section 3G(5) of the NH Act for enhancement of compensation. The proceedings commenced pursuant to the said application, and culminated in the impugned award.

7. A plain reading of the impugned award indicates that it does not set out any reasons for enhancing the compensation. The impugned award merely mentions that in certain cases, compensation had been paid to the landowners after 01.01.2015 for the lands acquired for the purposes of National Highway No.13(48). It is stated that in some cases, the compensation had been paid prior to the 2013 Act coming into force and in some cases, it was paid after the said Act. Therefore, the Arbitral Tribunal felt that the compensation must be fixed in the same manner in which the compensation has already been fixed. However, the award does not refer to any order fixing the compensation. The operative part of the impugned award reads as under:

"In view of the reasons and considerations set out in the proposal, the applications filed by the applicants are hereby granted. In exercise of the powers



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conferred by Section 3G(5) of the National Highways Act, 1956, the Special Land Acquisition Officer and the Competent Authority, National Highway No. 48 (Hospet-Chitradurga) shall increase the land compensation paid for the land acquired in the table in Bommaghatta village, Jagalur taluk, Davangere district by two times. The Special Land Acquisition Officer has ordered the payment of additional land value only, excluding the compensation amount paid earlier as per the original award, by increasing the market price and compensation by 12% as per the provisions of the R.F.C.T.L.A.R.R. and also paying interest at the rate of 9% as per the rules as per Section 3H (5) of the National Highways Act, 1956. National Highways Authority of India, No. 48. (Hospet-Chitradurga Division) Chitradurga".

8. The learned District Court found that the Arbitral Tribunal did not assess the compensation bearing in mind the factors as set out in Section 3G(7) of the NH Act and thus, was vitiated by patent illegality.

9. The impugned award is unreasoned and also fails to consider that the compensation has to be fixed as on the date of the notification under Section 3A(1) of the NH Act. We find no infirmity with the impugned order setting aside the impugned award.



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10. In view of the above, the present appeal is dismissed both on merits as well as on delay.

**Sd/-
(VIBHU BAKHRU)
CHIEF JUSTICE**

**Sd/-
(K.S. HEMALEKHA)
JUDGE**

AHB
List No.: 2 Sl No.: 9