CGHC010016552023 2026:CGHC:46849

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 274 of 2023

Judgment Reserved On :24.09.2026.

Judgment Delivered On :05.11.2026.

Alok Kumar Rathore S/o Mannu Lal Rathore Aged About 41 Years R/o Korba, Tehsil And, District : Korba, Chhattisgarh

... Petitioner(s)

versus

1 - Union Of India Through Ministry of Road Transport And Highway, Transport Bhawan, 1, Parliament Street, New Delhi -110001.

2 - Collector Korba, District : Korba, Chhattisgarh

3 - Competent Officer Land Acquisition Cum Sub Divisional Officer (Revenue) Korba, District : Korba, Chhattisgarh

4 - N.H.A.I. Through Its Project Implementation Unit Korba, District : Korba, Chhattisgarh

... Respondent(s)

For Petitioner(s)	:	Shri Vivek Mishra, Advocate.
For State/respondent	:	Shri Shobhit Mishra, Dy GA.
For Respondent No.4	:	Shri Dhiraj Kumar Wankhede, Advocate.

Hon'ble Mr. Justice Amitendra Kishore Prasad

C A V Order

1. By way of the present petition, the Petitioner has challenged the impugned award dated 05.08.2022 passed by Competent Authority

(Land Acquisition) Cum Sub-Divisional Officer (Revenue), Korba, District Korba, Chhattisgarh (for short "**CALA**") on the ground that he has not calculated compensation as per Section 26 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (for short "**The Act of 2013**") and not considered the market value thereby calculated the compensation on the very lower side.

2. Brief facts of the case are that the petitioner is the owner of land bearing Khasra No 809/2 admeasuring area 0.024 hectare situated at Village Devlapath Tehsil Barpali/ Kartala, District Korba, Chhattisgarh and the aforesaid land has been acquired vide award dated 05.08.2022 passed in Land Acquisition Case No. 202207050100006/A-82 years 2021-22 village Devlapath, P.H. No. 7, Tehsil Barpali/ Kartala, District Korba, Chhattisgarh. The petitioner had filed writ petition before this Court which was registered as WPC No. 1888/2022 wherein this Court has passed order on 20.04.2022 directing respondent authorities to decide the representation of petitioner. The market value of nearest Village Pharaswani is 1060/- and as per Section 26 of the Act of 2013, the rate of Village Pharaswani would be applicable but the higher rate has not been taken into account for the purpose of calculating compensation. Hence this writ petition.

3. Learned counsel for the petitioner submits that CALA has calculated the compensation without following the provision of Section 26 (1) (b) of the Act of 2013, the relevant part of Section is reproduced as under:-

> ***"26. Determination of market value of land by Collector:-***
> *(1) The Collector shall adopt the following criteria in assessing and determining the market value of the land, namely:-*
> *(a) the market value, if any, specified in the Indian Stamp Act, 1899 (2 of 1899) for registration of sale deeds or agreements to sell, as the case may be, in the area, where the land is situated; or*
> *b) the average sale price for similar type of land situated in the nearest village or nearest vicinity area; or*
> *(c) consented amount of compensation as agreed upon under sub-section (2) of section 2 in case of acquisition of lands for private companies or for public private partnership projects,*
> *whichever is higher:*
> *Provided that the date for determination of market value shall be the date on which the notification has been issued under section II……..."*

4. Learned counsel for the petitioner submits that Section 26 (1) (b) of the Act of 2013 is mandatory in nature as according to the said section, the market value of the property is required to be considered and the compensation should be calculated on the basis of value of similar type of land situated in the nearest village or nearest vicinity area.

5. Learned counsel for the petitioner submits that village Devlapath is nearest village and market value of village Devlapath is Rs.570/- and

market value of village Pharswani is Rs.1060/-. He submits that as per Section 26 of the Act of 2013, higher rate of market value is to be applied while calculating compensation. Learned counsel for the petitioner submits that there are various enactments which regulate the Act of 2013 such as The National Highways Act, 1956, The Electricity Act, 2003, the Railways Act, 1989 etc.

6. Learned counsel for the petitioner would place reliance in the matter of ***Santhakumar vs. State of Kerela and Others*** passed by the Kerela High Court at Ernakulam reported in ***{2016 SCC OnLine Ker 15424}*** **,** paragraph 17 of which reads as under:-

> ***"17.*** *In the above analysis, I find that the determination of market value in Ext.P3 Award is vitiated by procedural irregularities and illegalities and the Award and all the orders issued, on the basis of the said Award, are liable to be set aside and I do so. The matters will stand remitted back to the District Collector and he shall redetermine the market value of all the properties involved in these three writ petitions, strictly in compliance with the statutory requirements under Clauses (a) to (c) of Section 26 of the Act. It is made clear that it is incumbent upon the District Collector to fix the market value at whichever is found higher in the enquiry, as contemplated under Section 26 of the Act. The redetermination shall be made within a period of three months from the date of receipt of a copy of this judgment, after affording an opportunity of being heard to the petitioners. "*

7. Learned counsel for Respondent No.4 submits that while passing the award, the learned CALA calculated the interest at the rate of 12% per annum as is clearly evidenced by the calculation chart at Serial No. 5 of the award. The record explicitly demonstrates that an amount of Rs. 68,550/- was determined as interest and was included in the final award as per section 30(3) of the Act of 2013. Therefore, the contention of the petitioner regarding non-payment of the interest has not substance. Further, grievance of the petitioner cannot be redressed by this Court under Article 226 of the Constitution of India as there is an alternative remedy available to the petitioner under Section 3G(5) of the National Highways Act, 1956. He submits that the said proposition is no longer *res integra* as this Court in ***WA No.423 of 2020 {Puriram Kashyap vs. State of Chhattisgarh}*** held in paragraph 8 & 9 as under:-

> *" **8.** There is no dispute with regard to the Act, under which, lands of the Appellants were acquired. Bare perusal of the relief as extracted above would show that grievance raised by the Appellants are with regard to the quantum of amount of compensation. Under Section 3G (5) of the Act, 1956, the Central Government appoints an Arbitrator for deciding the grievance of either party with respect to the amount of compensation. It was brought to the notice of this Court that the Commissioner / Additional Commissioner of the Division has been appointed by the Central Government to be 'Arbitrator' to decide the applications filed challenging the quantum of compensation. The order passed by this*

Court in WA No. 07 of 2019 has considered the market values based on the guidelines and decided the issue in favour of the Appellants therein."

9. *"In view of the above, we do not find any infirmity in order passed by the learned Single Judge relegating the Appellants to approach the Competent Authority under Section 3G (5) of the Act, 1956 by filing appropriate application in this regard. Learned counsel for the Appellants submits that three weeks time be granted to the Appellants to file appropriate application before Competent Authority under Section 3G (5) of the Act, 1956. In view of the above submission, we grant liberty to the Appellants to raise their dispute in terms of Section 3G (5) of the Act, 1956 within a period of 'three weeks' from today and the Commissioner / Additional Commissioner to decide the dispute at the earliest preferably within a further period of 'three months' in accordance with law keeping in mind the order passed by this Court in WA No. 07 of 2019."*

8. Learned State counsel submits that the contesting party in this case is Respondent No.4 and they are supporting the submission of Respondent No.4.

9. I have heard learned counsel for the parties and perused the documents annexed with the petition carefully.

10. At this stage, it would be appropriate to reproduce Section 3G(5) of the National Highways Act, 1956, which provides as follows:

"3G. Determination of amount payable as compensation.— (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.

17. A bare perusal of the aforesaid provision makes it clear that the legislature has provided a specific mechanism for resolving disputes concerning the amount of compensation determined by the Competent Authority under the National Highways Act, 1956. Where either of the parties is dissatisfied with the amount so determined, the dispute may be referred to the arbitrator appointed by the Central Government. The statutory remedy is intended to enable the aggrieved party to seek an independent determination of the amount payable as compensation in accordance with law.

18. In the present case, the substance of the petitioner's grievance is that the market value of the acquired land has not been properly assessed and that the compensation awarded to him is inadequate. The petitioner seeks consideration of the higher market value allegedly prevailing in the nearby village of Pharaswani and contends that the principles governing the determination of market value under Section 26 of the Act of 2013 have not been properly applied by the Competent Authority. Thus, the controversy raised in the present petition principally concerns the determination of the market value and the consequential quantum of compensation payable to the petitioner.

19. In view of the nature of the dispute raised by the petitioner and the statutory remedy available under Section 3G(5) of the National Highways Act, 1956, this Court finds that the petitioner may avail the remedy of arbitration for redressal of his grievance regarding the quantum of compensation. The question as to whether the market value adopted by the Competent Authority is proper, whether the market value of similar land situated in the nearest village or vicinity area requires consideration, and whether the compensation determined under the impugned award calls for any enhancement are matters which may be raised before the competent arbitrator, subject to the applicable statutory provisions and the evidence placed on record.

20. The aforesaid view also finds support from the decision rendered by the Division Bench of this Court in ***Puriram Kashyap*** (supra), wherein the Division Bench declined to interfere with the order relegating the landowners to the remedy available under Section 3G(5) of the National Highways Act, 1956. The Division Bench granted liberty to the aggrieved landowners to raise their disputes concerning compensation before the competent authority under the said provision. The principle emerging from the aforesaid decision is that a dispute relating to the quantum of compensation arising out of acquisition under the National Highways Act, 1956, may appropriately be considered through the statutory arbitration mechanism provided therein.

21. So far as the grievance concerning the payment of interest is concerned, learned counsel appearing for respondent No. 4 has submitted that the Competent Authority has already awarded interest at the rate of 12% per annum and that an amount of Rs. 68,550/- has been included towards interest in the calculation chart forming part of the impugned award dated 05.08.2022. It is submitted that the said amount has been calculated with reference to Section 30(3) of the Act of 2013 and has been duly incorporated into the award.

22. Having regard to the aforesaid submission and the calculation chart referred to by learned counsel for respondent No. 4, the record indicates that an amount of Rs. 68,550/- has been included towards interest in the impugned award. Consequently, the petitioner's grievance, insofar as it relates to the alleged complete non-payment of interest, does not survive in the form in which it has been advanced, subject to verification of the correctness of the calculation and actual payment of the amount awarded. If the petitioner disputes the adequacy or correctness of the interest calculation or raises any consequential grievance concerning the amount payable, it shall be open to him to raise the same before the appropriate forum in accordance with law.

23. It is clarified that this Court has not examined the correctness of the market value adopted by the Competent Authority, nor has it expressed any opinion as to whether the rate of Rs. 1,060/- applicable to Village

Pharaswani ought to have been adopted for determining compensation in respect of the petitioner's land situated at Village Devlapath. These are matters that may be considered by the competent arbitrator, subject to the applicable statutory provisions, the nature of the acquisition, the relevant notification and the evidence produced by the parties. The petitioner shall be at liberty to raise all legally permissible grounds concerning the determination of market value and the quantum of compensation before the competent arbitrator.

24. In view of the foregoing discussion and having regard to the law laid down by the Division Bench of this Court in ***Puriram Kashyap*** (supra), this Court is not inclined to adjudicate the dispute concerning the quantum of compensation in the present writ petition, when the petitioner has an alternative statutory remedy available under Section 3G(5) of the National Highways Act, 1956.

25. Accordingly, the present writ petition is **disposed of** with liberty to the petitioner to approach the competent arbitrator appointed by the Central Government under Section 3G(5) of the National Highways Act, 1956, by filing an appropriate application raising his grievances concerning the determination of market value and the quantum of compensation awarded under the impugned award dated 05.08.2022.

26. In the event the petitioner avails the aforesaid statutory remedy, the competent arbitrator shall consider the claim of the petitioner on its own merits, in accordance with law, after affording due opportunity of

hearing to the concerned parties. The arbitrator shall independently examine the grounds raised by the petitioner, including the applicability of the relevant statutory provisions and the material relied upon in support of the claim for determination or enhancement of compensation. Nothing observed in the present order shall be construed as an expression of opinion on the merits of the petitioner's claim.

27. It is further clarified that this Court has not adjudicated upon the petitioner's entitlement to any enhanced compensation, and all contentions available to the parties in that regard are left open to be considered by the competent arbitrator in accordance with law.

Sd/-

(Amitendra Kishore Prasad)
Judge

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The date when the judgment is reserved	The date when the judgment is pronounced	The date when the judgment is uploaded on the website	
		Operative	Full
24.09.2026	05.11.2026	------	05.11.2026