



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD**

901 ARBITRATION APPEAL NO. 87 OF 2026

NATIONAL HIGHWAYS AUTHORITY OF INDIA
THROUGH ITS PROJECT DIRECTOR SHIVAJI V. PAWAR

VERSUS

SUDHAKAR MADHUKAR JANGALE AND ANOTHER

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Advocate for Appellant : Mr. Manorkar Deepak Suresh

Advocate for Respondent No.1 : Mr. K. M. More

Advocate for Respondent No.2 : Mr. R. R. Bangar

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**WITH
CIVIL APPLICATION NO. 7304 OF 2025
IN ARBA/87/2026**

**WITH
CIVIL APPLICATION NO. 3850 OF 2026
IN ARBA/87/2026**

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CORAM : ARUN R. PEDNEKER, J.

DATE : 21.04.2026

P.C. :

1. Heard.

2. By the present appeal, the appellant - National Highways Authority of India has challenged the order passed by the learned Principal District Judge under section 34 of the Arbitration and Conciliation Act, 1996, whereby the application filed by the appellant under section 34 of the said Act came to be rejected and

arbitral award passed by the learned Arbitrator under section 3G(5) of the National Highways Act, 1956 came to be confirmed.

3. The lands of the respondent/original claimants from village Kothali, Tal. Muktainagar, District Jalgaon was acquired for the public purpose of widening of NH-6. The Government of India had approved and issued a preliminary notification dated 11.11.2011 for acquisition u/s. 3-A(1) of the National Highways Act.

4. This Court by order dated 1.4.2026 in **Arbitration Appeal No.103/2025 (National Highways Authority of India Vs. Bhaskar Ninu Zambare and Ors.) and other connected matters** has dismissed the arbitration appeals filed by the National Highway Authority qua the compensation granted for the lands acquired for the expansion of national highway from Jalgaon by notification under section 3-A of the NHAI Act, dated 11.11.2011. The compensation granted therein was at the rate of 2800/- per sq. mtr. by the arbitrator, thereafter, the same was confirmed by the District Court under section 34 of the Arbitration and Conciliation Act and this Court under section 37 of the Arbitration and Conciliation Act has also dismissed the appeals filed by the National Highways Authority. The reasoning given in Arbitration Appeal No. 103/2025 cited supra would apply to the instant case.

5. The learned counsel for the appellant has placed reliance on the judgment in the case of **Kolkata Metropolitan Development Authority Vs. Gobinda Chandra Makal**, which mandates the strict cutoff of the 3A notification date. However, in earlier matters, this Court in **Arbitration Appeal No. 103/2025** cited supra has already dealt with this aspect and has considered the judgment in the case of **Chimanlal Hargovinddas Vs. Special Land Acquisition Officer reported in AIR 1988 SC 1652**, and has observed that while determining the market value various factors are required to be taken into consideration and one of such factors is that even post-notification sale instances can be taken into account if (i) they are very proximate in point of time, (ii) they are genuine transactions, and (iii) the acquisition itself has not motivated the purchaser to pay a higher price on account of the resultant improvement in development prospects. On satisfying all the above conditions sale deed dated 13.2.2012 has been taken into consideration for computing the price of the acquired lands in Arbitration Appeal No. 103/2025.

6. In Arbitration Appeal No.103/2025 cited supra it is observed that other sale deeds were placed on record and it is observed that if the prices therein are suitably adjusted for yearly escalation, the resultant price would broadly correspond with the price reflected in the post notification sale deed dated 13.2.2012.

7. In the instant case, acquisition is for the same project as in above Arbitration Appeal No. 103/2025, section 3-A notification is also issued on the same date and the acquired land is from village Kothali which was not more than 5-6 k.m. away from village Muktainagar, the lands acquired in Arbitration Appeal No. 103/2025 cited supra. However, in the instant case I find that arbitrator has deducted amount of Rs.600/- per sq. mtr. i.e. 15% of Rs. 4000/- per sq. mtr. towards distance, Rs.600/- per sq. mtr. i.e. 15% of Rs.4000/- towards size and has granted amount of Rs.2800/- per sq. mtr. Since the land is not more than 5-6 km from the lands in Arbitration Appeal No.103/2025 (Village Kothali and Muktainagar) the authority has made sufficient deductions towards the price of land. Considering this aspect of the matter and considering the order passed by this Court in Arbitration Appeal No. 103/2025 cited supra, there would be no case for interference as sufficient deductions are made in the present matter towards distance of acquired land from Muktainagar and also towards size has granted reasonable compensation. The arbitrator has also taken into consideration the N.A. potential of the acquired land. Considering all these aspects of the matter, no case is made out for interference. Arbitration appeal is dismissed.

8. In view of the orders passed in the Arbitration Appeal, the Civil Application seeking withdrawal of amount is allowed. However, since the

National Highway Authority intends to challenge this order, the applicant shall furnish an undertaking to this Court stating that in the event any favourable order is passed in favour of the National Highway Authority, he will re-deposit the amount withdrawn within a period of four weeks.

9. The pending Civil Applications for interim relief / stay stand disposed of.

[ARUN R. PEDNEKER]
JUDGE

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