



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

**CIVIL APPLICATION NO.4345 OF 2026
IN ARBITRATION APPEAL ST.NO.10972 OF 2026
WITH CIVIL APPLICATION NO.4346 OF 2026
WITH ARBITRATION APPEAL ST.NO.10972 OF 2026**

...
NATIONAL HIGHWAYS AUTHORITY OF INDIA
VERSUS
NALINI CHABILDAS VARADE & ANOTHER

...
Advocate for the applicant–appellant : Mr.Deepak S.Manorkar
Advocate for respondent no.1 : Mr.Vinod Patil
Advocate for respondent no.2 : Mr.Rajesh Mewara

...
CORAM : ARUN R. PEDNEKER, J.
DATE : 15.04.2026

P.C. :

1] Heard. Civil Application No.4345 of 2026 is filed to condone the delay of 25 days in filing the Arbitration Appeal. For the reasons stated in the Civil Application, the same is allowed. Delay of 25 days is condoned. Arbitration Appeal be registered. Civil Application is disposed of accordingly.

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 were 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] In the present matter, the learned counsel for the appellant has filed written notes of argument on record, which are taken on record and marked as 'X' for identification. 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 lands are from village Kothali, which were 1 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.2600/- per sq. mtr. Since the lands are at a distance of 1 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 matters towards distance of acquired lands 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 matters, no case is made out for interference. Arbitration appeals are dismissed.

8] In view of the dismissal of the appeal, nothing survives in the civil application for interim relief/stay. Hence, the same is also disposed of accordingly.

[ARUN R. PEDNEKER]
JUDGE

DDC