HC-KAR

NC: 2026:KHC:63794-DB
COMAP No. 199 of 2023

CNR: KAHC010256152023

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 18TH DAY OF NOVEMBER, 2026

PRESENT

THE HON'BLE MRS. JUSTICE ANU SIVARAMAN

AND

THE HON'BLE MR. JUSTICE K.S.BHARATH KUMAR

COMMERCIAL APPEAL NO. 199 OF 2023

BETWEEN:

1. NATIONAL HIGHWAYS AUTHORITY OF INDIA
   PROJECT IMPLEMENTATION UNIT-MANGALURU,
   DOOR NO.3-29,
   "BETHEL", THARETHOTA,
   NEAR PUMP WELL (NH-66),
   MANGALURU - 575005.
   REPRESENTED BY ITS PROJECT DIRECTOR,
   SRI. H.S. LINGEGOWDA.

...APPELLANT

(BY SRI. HANUMANTHA REDDY G., ADVOCATE)

Digitally signed by RAKSHA
Location: high court of karnataka

AND:

1. SRI. B. IBRAHIM
   S/O LATE HAJI B. ZAKARIA,
   AGE: NOT KNOWN (MAJOR),
   EX. MEMBER OF RAJYA SABHA,

R/AT GUTHU MANSION, VAS LANE,
2ND CROSS ROAD, KANKANADY VILLAGE,
MANGALURU - 575002.

2. THE ARBITRATOR AND DEPUTY COMMISSIONER
D.K. DISTRICT,
MANGALURU - 575 001.

…RESPONDENTS
(BY SRI. UDAYA PRAKASH M., ADVOCATE FOR R1)

THIS COMMERCIAL APPEAL IS FILED UNDER SECTION 37 OF THE ARBITRATION AND CONCILIATION ACT, 1996 R/W SECTION 13 (1-A) OF THE COMMERCIAL COURTS ACT, 2015, PRAYING TO (a) ALLOW THIS APPEAL; (b) CALL FOR RECORDS AND SET ASIDE THE IMPUGNED JUDGMENT AND DECREE DATED 12.04.2023 PASSED BY THE COURT OF IV ADDL. DISTRICT JUDGE AND COMMERCIAL COURT, D.K. MANGALURU IN ARBITRATION PETITION NO.166/2022; (c) CALL FOR RECORDS AND SET ASIDE THE IMPUGNED ARBITRAL AWARD DATED 26.07.2022 PASSED BY RESPONDENT NO.2 IN PROCEEDINGS BEARING NO.C.DIS.ARB (2) NH.LAQ/CR.1/ 2019-20; AND ETC.,

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

CORAM: HON'BLE MRS. JUSTICE ANU SIVARAMAN
and
HON'BLE MR. JUSTICE K.S.BHARATH KUMAR

ORAL JUDGMENT

(PER: HON'BLE MRS. JUSTICE ANU SIVARAMAN)

1. This commercial appeal is filed challenging the order dated 12.04.2023 passed by the IV Additional District Judge and Commercial Court, Dakshina Kannada, Mangaluru in A.P.No.166/2022.

2. A joint memo is filed today, stating that the appellant and respondent No.1 have entered into a settlement vide agreement dated 13.10.2026. The agreement is also placed on record. The agreement states that the parties have mutually agreed to settle the dispute for an agreement amount of Rs.30,00,000/- (Rupees thirty lakh only) towards full and final settlement of all claims arising out of acquisition of the land in Sy.No.34/1A2, Maroli Vilalge, Mangaluru Taluk, Dakshina Kannada District. It is stated as follows:

"TERMS AND CONDITIONS OF SETTLEMENT

1. Settlement of Compensation Claim

The Parties have mutually agreed that the compensation dispute relating to the land shall be settled for a total amount of Rs.30,00,000/- (Rupees Thirty Lakhs only) towards full and final settlement of all claims arising out of the acquisition of land comprised in Survey No(s).34/1A2, Maroli Village, Mangaluru Taluk, Dakshina Kannada District. The above amount shall be treated as full and final settlement towards the enhanced compensation claim arising out of the subject land acquisition proceedings in matter of:

i. NH.LAQ.CR.3/2011-12 dated 03.03.2015
ii. AS 2/2015 dated 24.01.2019 (Remanded Back)
iii. NH. LAQ.CR.1/2019-20 dated 26.07.2022
iv. AP 166/2022 dated 12.04.2023
v. Com AP No.199/2023

2. After due discussion and deliberation, both parties have mutually reached a consensus to settle the dispute amicably. Accordingly, the Second Party/Landowner voluntarily agrees to accept the amount of ***Rs.30,00,000/- (Rupees Thirty Lakh only)****, towards full and final settlement of the matter*

and submitted his willingness vide letter dated 11.09.2026.

3. The Second Party/Landowner expressly agrees hereby that upon receipt of the said amount, the Second Party/Landowner shall have no further claim, demand or entitlement against NHAI in respect of the subject matter of the arbitral award, except as specifically provided in this settlement agreement.

4. The Second Party/Landowner declares that the above waiver/reduction of amount is voluntary and forms an integral part of the negotiated settlement. The Second Party/Landowner shall have no further claim towards compensation, interest, solatium, damages, costs or any other monetary benefit arising out of the acquisition of the subject land.

5. The above settlement amount includes compensation mutually agreed between the parties. In order to bring the litigation to a quietus, the Second Party/Landowner has voluntarily agreed to waive/reduce a portion of the enhanced compensation, Whereas, First Party/ NHAI will close pending proceedings in respect of the subject acquisition without any cost to Second Party.

6. The Parties agree that the Settlement Amount shall become payable by NHAI only after the Hon'ble Court records the settlement and passes appropriate orders disposing of the proceedings in terms of this settlement Agreement. The payment shall be released within 30 days from the date of such order.

7. The parties declare that these settlement terms have been entered into voluntarily, with full understanding of their legal consequences and without any coercion, undue influence or misrepresentation.

8. Upon payment of the agreed settlement amount, the Second Party hereby acknowledges full and final settlement of all claims, demands, references, appeals, petitions, and disputes arising out of the subject acquisition proceedings or relating raise, pursue, or maintain any further claim, demand, enhancement, or request for additional compensation of any nature whatsoever in respect of the subject matter settled herein, either before any court, tribunal, authority, or any other forum.

9. Cost of Agreement: *All expenses relating to the preparation, execution, notarization (if any), stamp duty, registration charges (if applicable), and other*

incidental costs of this Settlement Agreement shall be borne exclusively by the ***Second Party****.*

10. Withdrawal/Disposal of Pending Proceedings

The First Party agrees to place this Settlement Agreement before the Hon'ble High Court and consents for disposal of the pending proceedings in terms of this settlement.

11. Voluntary Settlement

The Parties confirm that this settlement has been arrived at voluntarily, with free consent and without any pressure, coercion, fraud, or undue influence"."

3. The parties submit that the present appeal is withdrawn in view of the settlement entered into between the parties.

4. We notice that the parties have affixed their signatures to Annexure-A and that the witnesses have also signed on Annexure-A. The joint memo filed is duly signed by the counsel appearing on either side.

5. We are of the opinion that the commercial appeal is liable to be dismissed in terms of the settlement arrived at. Accordingly, the commercial appeal is ***dismissed***.

Decree shall be drawn accordingly.

Sd/-
(ANU SIVARAMAN)
JUDGE

Sd/-
(K.S.BHARATH KUMAR)
JUDGE

GH
List No.: 2 Sl No.: 4