

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION

**CIVIL APPEAL NO(S).      OF 2025**  
**(@ SLP (C) NO(S).      OF 2025)**  
**[@ DIARY NO(S). 42115 OF 2022]**

**SARJUPRASAD**

**....Appellant(s)**

**VERSUS**

**NATIONAL HIGHWAYS AUTHORITY OF INDIA & ORS.**

**....Respondent(s)**

WITH

**CIVIL APPEAL NO(S).      OF 2025**  
**(@ SLP (C) NO(S).      OF 2025)**  
**[@ DIARY NO(S). 33989 OF 2023]**

**O R D E R**

1. Delay condoned.
2. Leave granted.
3. These appeals by way of Special Leave Petitions are against the judgment(s) and order(s) of the High Court in Arbitration Appeal Nos. 34, 26, 27 and 37 of 2019 dated 12.08.2022 passed in exercise of jurisdiction under Section 37 of the Arbitration and Conciliation Act, 1996.<sup>1</sup>
4. Brief facts necessary for the disposal of these appeals are as follows. The

<sup>1</sup> Hereinafter referred to as the 'Arbitration Act'.

respondents proposed to acquire two properties belonging to the appellant for widening, maintaining, managing and operating a section of NH-7 of the Nagpur-Hyderabad National Highway. To this effect, the respondents issued a notice under Section 3A of the National Highways Act, 1956<sup>2</sup> on 21.09.2009, followed by a declaration of acquisition under Section 3D on 13.10.2010. The Sub-divisional Officer (Land Acquisition Officer and Competent Authority) rendered an award on 06.08.2011 whereby the appellant was given a total compensation of Rs. 8,14,000/- for the acquisition.

5. Aggrieved by the quantum of compensation, the appellant preferred an application under Section 3-G(5) of the NH Act for determination of compensation by an arbitrator. The Additional Commissioner, Nagpur was appointed as the arbitrator. By his award dated 20.05.2015, the claim was partly allowed and the appellant was given an enhanced total compensation of Rs. 85,55,800/- with another 10% of the total compensation for loss of easementary rights as per Section 3G(2) of the NH Act. In enhancing the compensation, the arbitral tribunal also relied on two sale deeds dated 27.06.2008 and 02.04.2008. Further, the respondents were directed to pay interest @ 9% p.a. on the enhanced compensation calculated from the date of notification under Section 3D till the date of actual payment.
6. The respondents challenged the award by filing Civil Miscellaneous Application 688/2015 before the Ld. Principal District Judge under Section 34 of the Arbitration Act. In the Section 34 petition, respondents objected to

the arbitrator's reliance on sale deeds dated 27.06.2008 and 02.04.2008 on the grounds that only photocopies of the sale deeds were filed and that they were not proved by examining the concerned valuers. It was also alleged that the said sale deeds were neither attested by an authorised person nor certified copies were filed.

7. By order dated 05.04.2019, the learned Principal District Judge exercising jurisdiction under Section 34 substantially affirmed the award directing the respondents to give 30% of the award amount as solatium in accordance with Section 23(2) of the Land Acquisition Act. Further, the respondents were directed to pay 12% on the amount of compensation from the date of notification to the date of order of the competent authority for acquisition of land.
8. Against the order under Section 34, both the appellant and the respondents filed Arbitration Appeal 26/2019 and Arbitration Appeal 34/2019 under Section 37 of the Arbitration Act. The appellant sought a further compensation of 10% p.a. and a separate compensation under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. On the other hand, the respondents challenged the decision in its entirety.
9. By way of the impugned order, the Ld. Single Judge of the High Court dismissed the appeal by the appellant, and virtually allowed the respondent's appeal. The enhancements by the arbitrator and the Principal District Judge were set aside, and the original compensation determined by

the competent authority was restored. It was reasoned that the arbitral award places reliance on two sale deeds dated 27.06.2008 and 02.04.2008 that were brought on record after the closure of arbitral proceedings. The proceedings were closed on 22.04.2015, whereas the photocopies of the said sale deeds were supplied by the appellant on 06.05.2015. For this reason, the High Court set aside the enhancement by the Arbitrator on the ground of patent illegality.

10. Heard Mr. Dhruv Mehta, learned senior counsel appearing on behalf of the appellant and Ms. Aishwarya Bhati, learned ASG appearing on behalf of the respondent(s).
11. Mr. Mehta submitted that there was no justification for the High Court to assume that the sale deeds were introduced surreptitiously. He referred to the objections of the respondents in the Section 34 petition to submit that this related only with respect to lack of an opportunity to oppose it as they were not proved by examining the witness and that only photocopies of the sale deeds were filed. Mr. Mehta also submitted that the defect in the arbitral award is curable under Section 34(4) and an opportunity must be given to the arbitral tribunal to eliminate the grounds for setting aside the arbitral award.
12. Learned ASG, Ms. Aishwarya Bhati has submitted that irrespective of the manner of production of the document, the consequence has been that the arbitral tribunal enhanced the compensation without providing an opportunity to the respondents. She would further submit that as long as

respondents are granted an opportunity to contest the suitability and applicability of the two sale deeds before enhancement of compensation, there should be no difficulty in formally taking the sale deeds on record.

13. After some argument learned counsels appearing for the appellant and the respondents have jointly submitted that the matter could be re-examined under Section 34(4).
14. In the light of the submissions and with consent of counsels for both the parties, we set aside the judgment and order passed by the High Court dated 12.08.2022 under Section 37 of the Act and the order of the Principal District Judge dated 05.04.2019 under Section 34 of the Act and restore the proceedings under Section 34 before the learned District Judge. In the meanwhile, we direct the respondents to constitute the Arbitral Tribunal within a period of 30 days from the date of receipt of our order to enable the Arbitrator to receive the two sale deeds dated 27.06.2008 and 02.04.2008 formally and in order to eliminate the ground of having received the said documents without following the procedure. The order/award of the Arbitrator may be challenged before the Principal District Judge who shall consider it along with the challenge and objections to the original award dated 20.05.2015 and dispose it of after giving opportunity to both the parties. We make it clear that this order is with the consent of learned counsel for both the parties and is in the facts and circumstances of the case and shall not be treated as a precedent.
15. With these directions, the civil appeals are disposed of.

16. The parties shall bear their own costs.

17. Pending application(s), if any, shall stand disposed of.

.....J.  
[PAMIDIGHANTAM SRI NARASIMHA]

.....J.  
[JOYMALYA BAGCHI]

**NEW DELHI;  
APRIL 04, 2025**

ITEM NO.61

COURT NO.11

SECTION III

S U P R E M E C O U R T O F I N D I A  
RECORD OF PROCEEDINGS

SPECIAL LEAVE PETITION (CIVIL) Diary No(s). 42115/2022

[Arising out of impugned final judgment and order dated 12-08-2022 in AA No. 34/2019 12-08-2022 in AA No. 26/2019 passed by the High Court of Judicature at Bombay at Nagpur]

SARJUPRASAD

Appellant(s)

VERSUS

NATIONAL HIGHWAYS AUTHORITY OF INDIA & ORS.

Respondent(s)

[ FOR ORDERS ]

IA No. 155540/2023 - CONDONATION OF DELAY IN FILING

IA No. 155539/2023 - CONDONATION OF DELAY IN REFILING / CURING THE DEFECTS

IA No. 155543/2023 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT

IA No. 195892/2023 - EXEMPTION FROM FILING O.T.

IA No. 203267/2023 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

IA No. 195890/2023 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

WITH

Diary No(s). 33989/2023 (IX)

IA No. 169427/2023 - CONDONATION OF DELAY IN FILING

IA No. 169430/2023 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT

IA No. 195904/2023 - EXEMPTION FROM FILING O.T.

IA No. 203240/2023 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

IA No. 195901/2023 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

Date : 04-04-2025 These matters were called on for hearing today.

CORAM : HON'BLE MR. JUSTICE PAMIDIGHANTAM SRI NARASIMHA  
HON'BLE MR. JUSTICE JOYMALYA BAGCHI

For Appellant(s) : Mr. Dhruv Mehta, Sr. Adv.  
Mr. Raghavendra S. Srivatsa, Sr. Adv.  
Mr. Harnish R. Gadhia, Adv.  
Mr. Satyajit A Desai, Adv.  
Mr. Siddharth Gautam, Adv.  
Mr. Siddharth Gautam, Adv.  
Mr. Aniket A. Sawal, Adv.  
Mr. Abhinav K. Mutyalwar, Adv.

Mr. Sachin Singh, Adv.  
Mr. Ananya Thapliyal, Adv.  
Ms. Anagha S. Desai, AOR

For Respondent(s) :Ms. Aishwarya Bhati, ASG  
Mr. Sumit Gupta, Adv.  
Mr. Akshay Tiwari, Adv.  
Ms. Tanya Shrotriya, Adv.  
Mr. Anubhav Aggarwal, Adv.  
Ms. Jaikriti S. Jadeja, AOR  
Mr. Shivang Goel, Adv.  
Mr. Ishaan Aggarwal, Adv.

Mr. Adarsh Dubey, Adv.  
Mr. Siddharth Dharmadhikari, Adv.  
Mr. Aaditya Aniruddha Pande, AOR

UPON hearing the counsel the Court made the following  
O R D E R

1. Delay condoned.
2. Leave granted.
3. The Civil Appeals are disposed of in terms of the Signed Order.
4. Pending application(s), if any, shall stand disposed of.

(KAPIL TANDON)  
COURT MASTER (SH)

(NIDHI WASON)  
COURT MASTER (NSH)

(Signed Order is placed on the file)