

HRHS010041722018



Presented on : 05-05-2018
Registered on : 07-05-2018
Decided on : 07-08-2026
Duration : 8 years, 3 months, 2 days

IN THE COURT OF ISHA KHATRI, ADDITIONAL DISTRICT
JUDGE, HISAR
(UID: HR0261)

Arbitration Case No.	07-RBT of 07.05.2018/02.05.2026
CNR Number	HRHS010041722018
CIS Number	ARB-162-2018
UID No.	HR-0261
Date of Decision	07.08.2026

- 1. Pirthi, aged 55 years, son of Bhoma;
 - 2. Rajesh, aged 29 years;
 - 3. Anil Kumar, aged 27 years, both sons of Lilu Ram;
 - 4. Bhal Singh, aged 30 years;
 - 5. Rajesh, aged 29 years, both sons of Sh. Mukha Ram;
- All residents of village Arya Nagar, Tehsil and District Hisar.

... Applicants/Objectors.

Versus

- 1. Union of India through its Secretary, Ministry of Shipping Road Transport and Highways (Department of Road Transport and Highways), New Delhi.
- 2. National Highway Authority of India, Ministry of Shipping Road Transport and Highways (Department of Road Transport and Highways) Plot No. G-5 & 6, Sector 10, Dwarka, New Delhi through its Chief General Manager,
- 3. District Revenue Officer-cum- Land Acquisition Collector, Hisar (Competent Authority as appointed by the Central Government)

..Respondents.

4. Additional Deputy Commissioner, Hisar-cum- Arbitrator appointed by the Central Government under Section 3-G(5) of the National Highways Act 1956 at Hisar.

... Respondent/Arbitrator

Present: Sh. Gagandeep Mehta, Advocate for applicants/objectors.
Sh. Ankur Bansal Advocate for respondents No.1 to 3.
Service of respondent No.4 dispensed with.

ORDER:

The present order shall dispose of an application filed under Section 34 of the Arbitration and Conciliation Act, 1996 (the “Act 1996” in short) for modification of Arbitral Award dated 30.01.2018 passed in case No.126-ARB/ADC of 2015 by the Court of Additional Deputy Commissioner exercising the Power of Arbitrator, appointed by the Central Government under Section 3-G(5) of the National Highway Act, 1956 and for enhancement of compensation amount awarded by the Competent Authority for the land acquired and for grant of interest over the amount of enhanced compensation and relief of royalty and annuity.

2. It has been averred in the application by the applicants that their land was situated at village Arya Nagar, Tehsil and District Hisar, which was acquired by the respondents No.1 & 2 through Competent Authority i.e. District Revenue Officer-cum-Land Acquisition Collector, Hisar for construction of National Highway No.65 in pursuance of Notification Govt. of India in the Ministry Shipping Road Transport and Highway (Department of Road Transport and Highway) No. S.O. 1448(E) dated 05.06.2013 published in the Gazette of India,

Extraordinary Part-II, Section 3, Sub-Section(ii) dated 05.06.2013 and also vide Notification No.S.O.341(E) dated 05.02.2014 under Sub Section 1 of Section 3D of the said Act for the purpose of building (widening/four lane etc.) maintenance, management and operation National Highway No.65 on stretch of land from KM 145.230 to KM 213.400 in District Hisar, Haryana. Subsequently the amount of compensation was determined by the Competent Authority, District Revenue Officer-cum-Land Acquisition Collector Hisar vide Award No.35/H dated 15.01.2015.

3. It is averred in the application that the said Competent Authority awarded a very meager amount of compensation to the applicants without any statutory benefit. The applicants did not accept the amount of compensation awarded by the Competent Authority and he alongwith other land owners filed separate Reference Petitions before the Arbitrator-cum-Additional Deputy Commissioner i.e. respondent No.4 for determination of compensation as per the provisions of the National Highway Act, 1956.

4. Applicants pleaded before the Arbitrator that their land was never inspected before the announcement of Award. Their land is of great commercial and residential potential, being situated in Village Arya Nagar, within a radius of approximately 8 kilometers from the Municipal Corporation, Hisar. The land is adjoining developed areas and is connected with important roads leading from Hisar to Pilibanga via Bhadra (Rajasthan). It is also attached with Ram Nagar Co-operative

House Building Society Ltd., thereby enhancing its residential value. Educational institutions, including City College of Education and a school, are located in close proximity to the land. The land is suitable for residential as well as commercial development and possesses high market value due to its advantageous location. The Competent Authority also did not assess the value of trees, crops and other attachments existing on the land, which were of substantial worth. No opportunity of hearing was ever granted to them before or after announcement of the Award by the Competent Authority. No relief of royalty and annuity has been granted to the applicant by the Competent Authority.

5. It has been further averred in the application that the applicants produced ample oral as well as documentary evidence before the Arbitrator to prove all the facts and circumstances but the same were not taken into consideration by the Arbitrator. After looking into the evidence of the applicants, the Arbitrator arbitrarily did not increase the compensation amount qua the acquired land but only granted solatium and interest over the compensation amount as per letter No.11011/30/2015-LA dated 29.04.2015 of the government. It has been averred that the Award passed by the Arbitrator is non-speaking, incomplete and does not even provide details of solatium and interest actually awarded. It has been further averred that Arbitrator never gave opportunity to the applicants for summoning of witnesses. The Competent Authority and the Arbitrator discriminated against the applicants and

caused financial loss to them; hence, the present application has been filed for enhancement of the amount of original compensation awarded by the Competent Authority to ₹5,000/- per square yard, alongwith grant of ₹2.7 lakh towards the value of trees and crops standing on the acquired land, and by applying a multiplier of 2.0 to the market value of the land, while maintaining the relief of solatium and interest as already awarded.

6. Upon notice, respondents No.1 & 2 appeared and filed reply to the application in hand stating therein that the present application is not maintainable as the applicants have not complied with the provisions of Section 34(5) of the Act, 1996. It has been further pleaded that no ground has been set out in the application by the applicants for setting aside of Award under Section 34 of the Act, 1996. Applicants have not laid out any violation of any of the ground as mentioned in Section 34(2) of the Act, 1996. It has been further pleaded that this Court cannot sit in an appeal over the Arbitration Award dated 30.01.2018 and cannot re-examine the evidence. It has been further pleaded that the compensation awarded by the Competent Authority which was up-held by the Arbitrator vide the Award in question is valid, legal and in accordance with the provisions of NHAI Act, 1956 and the Act, 1996. Applicants never challenged the acquisition proceedings nor made any representation before the Competent Authority at the time of assessment of the compensation amount. While passing the Arbitral Award, the Arbitrator duly considered the sale deeds, as relied upon by the applicants and only

thereafter passed the Award in question. It has been further pleaded that the applicants have challenged the Award in question on vague grounds. The Arbitrator duly examined the order of the Competent Authority as well as the evidence led on the record by the applicants and only after considering everything awarded solatium and interest over the compensation amount, as awarded by the Competent Authority. On these pleas, it has been prayed that the present application is false and frivolous and is devoid of any merits and hence deserves to be dismissed.

7. No reply has been filed by respondent No.3. However, service of respondent No.4 was dispensed with.

8. Before proceeding further, it is pertinent to mention here that Hon'ble Punjab and Haryana High Court in the case of **Sohan Lal and others versus Union of India decided on 20th March 2025 in CWP No. 19799-2023** declared section 3G and 3J of National Highway Act, 1956 as constitutionally void. The said decision is under challenge before the Hon'ble Supreme Court in SLP civil titled as **M/s Riar Builders Pvt. Ltd. and Anr.versus Union of India and Ors. SLP (C) no.14758/2025 (IV-B) Diary No(s). 26933/2025.**

9. Hon'ble Supreme Court has stayed the operation of the above stated judgment in the case of **Sohan Lal (supra)**. However, the Hon'ble Apex court has further ordered that pending proceedings under Section 34 of Arbitration and Conciliation Act, 1996 shall continue in accordance with law during the pendency of the SLP.

10. So although, the matter is sub-judice before the Hon'ble Supreme Court, but since the Hon'ble Apex Court itself has ordered that the pending proceedings shall continue in accordance with law, therefore, this court is proceeding here as under to decide the present application filed under section 34 of Arbitration and Conciliation Act, 1996 by the applicant.

11. Furthermore, with regard to the appointment of arbitrator under the National Highways Authority Act, 1956, in the case of **National Highways Authority of India v. Sayedabad Tea Company Ltd. (SC) 2020(15) SCC 161** Hon'ble Supreme Court has held as under:-

“..... 16. We are in full agreement with the legal position stated by a two Judge Bench of this Court in **General Manager (Project), National Highways and Infrastructure Development Corporation Ltd. case(supra)** but like to add further that the Act, 1956 has been enacted under Entry 23 of the Union List of the Seventh Schedule of the Constitution with the exclusive power to legislate with respect to highways, which are declared to be national highways by or under law by the Parliament. ***It is a comprehensive code and a special enactment which provides an inbuilt mechanism not only in initiating acquisition until culmination of the proceedings in determining the compensation and its adjudication by the Arbitrator to be appointed by the Central Government*** and if still remain dissatisfied, by the Court of law.

19. It is settled principles of law that *when the special law sets out a self-contained code, the application of general law would impliedly be excluded. In the instant case, the scheme of Act, 1956 being a special law enacted for the purpose and for appointment of an arbitrator by the Central Government under Section 3G(5) of Act, 1956 and sub-section (6) of Section 3G itself clarifies that subject to the provisions of the Act 1956, the provisions of Act 1996 shall apply to every arbitration* obviously to the extent where the Act 1956 is silent, the Arbitrator may take recourse in adjudicating the dispute invoking the provisions of Act, 1996 for the limited purpose. *But so far as the appointment of an Arbitrator is concerned, the power being exclusively vested with the Central Government as envisaged under sub-section (5) of Section 3G of Act 1956, Section 11 of the Act, 1996 has no application.”*

12. Thus, in view of the legal pronouncements, as discussed above, this Court has no hesitation in saying that the appointment of Additional Deputy Commissioner as Arbitrator under NHAI Act, 1956 cannot be objected to.

13. Now, before proceedings further, it is also pertinent to quote Section 34 of the Act, 1996 which provides as under:-

*“34. Application for setting aside arbitral award. --
(1) Recourse to a Court against an arbitral award*

may be made only by an application for setting aside such award in accordance with sub-section (2) and sub-section (3).

(2) An arbitral award may be set aside by the Court only if--

(a) the party making the application furnishes proof that--

(i) a party was under some incapacity, or

(ii) the arbitration agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law for the time being in force; or

(iii) the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings or was otherwise unable to present his case; or

(iv) the arbitral award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration:

Provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, only that part of the

arbitral award which contains decisions on matters not submitted to arbitration may be set aside; or

(v) *the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties, unless such agreement was in conflict with a provision of this Part from which the parties cannot derogate, or, failing such agreement, was not in accordance with this Part; or*

(b) *the Court finds that--*

(i) *the subject-matter of the dispute is not capable of settlement by arbitration under the law for the time being in force, or*

(ii) *the arbitral award is in conflict with the public policy of India.*

[Explanation 1.--For the avoidance of any doubt, it is clarified that an award is in conflict with the public policy of India, only if,--

(i) *the making of the award was induced or affected by fraud or corruption or was in violation of section 75 or section 81; or*

(ii) *it is in contravention with the fundamental policy of Indian law; or*

(iii) *it is in conflict with the most basic notions of morality or justice.]*

Explanation 2.--For the avoidance of doubt, the test as to whether there is a contravention with the fundamental policy of Indian law shall not entail a review on the merits of the dispute.]

[(2A) An arbitral award arising out of arbitrations other than international commercial arbitrations, may also be set aside by the Court, if the Court finds that the award is vitiated by patent illegality appearing on the face of the award:

Provided that an award shall not be set aside merely on the ground of an erroneous application of the law or by re-appreciation of evidence.]

14. Also before addressing the arguments as advanced by learned counsel for the applicants, this Court would like to refer to the decision of Hon'ble Apex Court where Seven-Judge Bench of Hon'ble Supreme Court in Interplay Between Arbitration Agreements under Arbitration and Conciliation Act, 1996 & Stamp Act, 1899, In re, [(2024) 6 SCC 1] interpreting Section 5 of the A&C Act had the following to say:

"81. One of the main objectives of the Arbitration Act is to minimise the supervisory role of Courts in the arbitral process. Party autonomy and settlement of disputes by an Arbitral Tribunal are the hallmarks of arbitration law. Section 5 gives effect to the true intention of the parties to have their disputes resolved through arbitration in a quick, efficient and effective manner by minimising

judicial interference in the arbitral proceedings. [Food Corpn. of India v. Indian Council of Arbitration, (2003) 6 SCC 564.] Parliament enacted Section 5 to minimise the supervisory role of Courts in the arbitral process to the bare minimum, and only to the extent "so provided" under the Part I of the Arbitration Act. In doing so, the legislature did not altogether exclude the role of Courts or judicial authorities in arbitral proceedings, but limited it to circumstances where the support of judicial authorities is required for the successful implementation and enforcement of the arbitral process.[Union of India v. Popular Construction Co., (2001) 8 SCC 470; P. Anand Gajapathi Raju v. P.V.G. Raju, (2000) 4 SCC 539] The Arbitration Act envisages the role of Courts to "support arbitration process" [Swiss Timing Ltd. v. Commonwealth Games 2010 Organising Committee, (2014) 6 SCC 677 : (2014) 3 SCC (Civ) 642] by providing necessary aid and assistance when required by law in certain situations.

15. Furthermore, Five-Judge Bench of Hon'ble Supreme Court in the case of Gayatri Balasamy v. M/s. ISG Novasoft Technologies Limited, (SC)(Constitution Bench) 2025 SCC Online SC 986 has answered a reference which was made a three-Judge Bench of the Hon'ble Supreme Court, vide order dated 20.02.2024, wherein, the following questions were referred to be answered by Larger Bench.

1. *Whether the powers of the Court under Sections 34 and 37 of the Arbitration and Conciliation Act 1996 will include the power to modify an arbitral award?*
2. *If the power to modify the award is available, whether such power can be exercised only where the award is severable, and a part thereof can be modified?*
3. *Whether the power to set aside an award under Section 34 of the Act, being a larger power, will include the power to modify an arbitral award and if so, to what extent?*
4. *Whether the power to modify an award can be read into the power to set aside an award under Section 34 of the Act?*
5. *Whether the judgment of this Court in Project Director NHAI v. M. Hakeem, (2021) 9 SCC 1. followed in Larsen Air Conditioning and Refrigeration Company v. Union of India, (2023) 15 SCC 472. and SV Samudram v. State of Karnataka, (2024) 3 SCC 623. lay down the correct law, as other benches of two Judges (in Vedanta Limited v. Shenzden Shandong Nuclear Power Construction Company Limited, (2019) 11 SSC 465 Oriental Structural Engineers Pvt. Ltd. v. State of Kerala, (2021) 6 SCC 150 and M.P. Power Generation Co. Ltd. v. Ansaldo Energia Spa), (2018) 16 SCC 661 and three Judges (in J.C.*

Budhraja v. Chairman, Orissa Mining Corporation Ltd., (2008) 2 SCC 444. Tata Hydroelectric Power Supply Co. Ltd. v. Union of India, (2003) 4 SCC 172. and Shakti Nath v. Alpha Tiger Cyprus Investment No.3 Ltd., (2020) 11 SCC 685.) of this Court have either modified or accepted modification of the arbitral awards under consideration?"

16. The Constitution Bench of the Hon'ble Supreme Court has answered the said questions as under:-

Question No. 1- *As set out in the body of the judgment, **while exercising power under Section 34 of the A&C Act and consequently the Courts in the appellate hierarchy do not have the power to modify the arbitral award.***

Question No. 2- *Modification and severance are two different concepts **while modification is not permitted under Section 34**, severance of the award falling foul of Section 34 is permissible in exercise of powers under Section 34. Such a power of severance is also available to the courts in the appellate hierarchy to the Section 34 Court.*

Question No. 3 & 4- *The power to set aside will **not include the power to modify** since the power to*

modify is not a lesser power subsumed in the power to set aside and, as held herein above, the power to set aside and power to modify do not emanate from the same genus and are qualitatively different powers in the context of the A&C Act.

Question No. 5- The judgment in Hakeem (supra), insofar as it holds that a Section 34 Court has no power to modify the award, lays down the correct law. The only exception made in this judgment is with regard to the power to carry out corrections in computational errors, clerical errors or typographical errors and any other errors of similar nature. This is based on the principle of actus curiae neminem gravabit (act of court shall prejudice no one)

17. While parting with the judgment the Hon'ble Supreme Court underlined the following conclusion which is here as under:-

- a) ***The Courts exercising power under Section 34 and Courts hearing appeals thereunder have no power to "modify" an award.***
- b) *The power to modify is not a lesser power to that of the power to set aside, as the two operate in separate spheres and are not of the same genus.*

- c) *The inherent power under Section 151 C.P.C. cannot be used to modify awards as it will be contrary to the express power mentioned in Section 34. Similarly, there is no scope for applying the doctrine of implied power to modify awards.*
- d) *Article 142 of the Constitution of India will not be exercised by this Court to modify awards passed by arbitrators as it is well settled that the Article 142 power cannot be used to give a go by to the substantive statutory provision.*
- e) *Interest awarded also cannot be modified in exercise of powers of setting aside and the course of action under Section 34(4) will have to be adopted as discussed in the judgment.*
- f) *Hakeem (supra) is not per incuriam insofar as it held that a Section 34 Court cannot modify the award will be read with the only exception made in this judgment now. On the principle of actus curiae neminem gravabit computation, clerical and typographical errors or other errors of similar nature is permissible to be corrected made by the Section 34 Court, in terms of the holding above.*
- g) *Kinnari Mullick (supra) does not lay down the correct law insofar as it holds that the request under Section 34(4) to the Court by a party to grant an opportunity to the Arbitral Tribunal to resume proceedings or to take such other action has to be in writing. Even an oral request under Section 34(4) can be entertained by the Court.*

- h) *The power under Section 34(4) can be exercised by the Court Suo Moto also under the circumstances set out herein above.*
- i) *A Court under Section 34 and the Courts hearing appeals thereafter have the power to "sever" parts of the award in exercise of the powers of setting aside awards under Section 34. However, while severing, the parameters set out herein above and flowing from the judicial precedents discussed therein have to be followed.*

18. By way of the present application, the applicants have sought modification of the impugned Arbitral Award dated 30.01.2018. Learned counsel for the applicants has argued before the Court that the market value was not assessed correctly by the Competent Authority. The land of the applicants was very valuable due to its prime location, having great commercial and residential potential, being situated in Village Arya Nagar, within a radius of approximately 8 kilometers from the Municipal Corporation, Hisar. The land is adjoining developed areas and is connected with important roads leading from Hisar to Pilibanga via Bhadra (Rajasthan). It is also attached to Ram Nagar Co-operative House Building Society Ltd., thereby enhancing its residential value. Educational institutions, including City College of Education and a school, are located in close proximity to the land. The land is suitable for residential as well as commercial development and possesses high market value due to its advantageous location. Learned counsel for the

applicants has also argued that as per the Notification of Haryana Government The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (*hereinafter referred as “RFCTLARR Act, 2013”*) was to be taken into account by the Competent Authority and the Arbitrator while assessing the compensation amount but both of them did not consider it. This Act came into operation from 01.01.2014, whereas, the Award passed by the Arbitrator is dated 30.01.2018. The Notification No.11011/30/2015-LA dated 29.04.2015 as issued by the Government with regard to application of RFCTLARR Act, 2013 on all the Awards passed under NHAI Act, 1956 was effective from 01.01.2015. Thus, the compensation had to be assessed as per RFCTLARR Act, 2013 by the Arbitrator and the Competent Authority.

19. It has been further argued by learned counsel for the applicants that he had placed on record several sale deeds before the Arbitrator of the adjoining lands to prove the market value of the acquired land but the same was also not considered by the Arbitrator. The Arbitrator did not calculate the value of the trees, crops and other attachments existing on the acquired land. The learned counsel has further argued that no notice of acquisition was given to the applicants neither an opportunity was provided to them to lead evidence to prove their case before the Competent Authority or the Arbitrator.

20. I have heard learned counsel for the parties and have gone through through the case file thoroughly and carefully looked into the facts and reasoning given in the Arbitrator Award.

21. A careful reading of Section 34 of the Act, 1996 and the law as laid down by the Hon'ble Apex Court as discussed above clearly provides that an application under Section 34 of the Act, 1996 can only be made for setting aside of an Arbitral Award and not for modification of the same. By virtue of the present application, the applicants have sought modification of the order, which is not permitted under law.

22. Learned counsel for the applicants has prayed that if the Award cannot be modified then it being against public policy and that there is patent illegality on the face of the Award, this impugned award must be set aside and recourse to Section 34(4) of the Act, 1996 must be made.

23. This argument as made by learned counsel also cannot be accepted by this Court for reasons stated hereinafter.

24. Even for setting aside of an Arbitral Award the conditions as laid down in Section 34(2) and 34(3) needs to be satisfied first and only then a re-course to Section 34(4) of the Act, 1996 can be made by the Court. Section 34(2) opens with the phrase **an Arbitral Award may be set aside by the Court only if**. Section 34(2)(a) provides the grounds to set aside the award which are as follows:-

- i. parties being under some incapacity;*
- ii. arbitration agreement not valid under the law to which the parties have subjected it or under the law for the time being in force;*
- iii. No proper notice of appointment of arbitrator or arbitral proceedings;*
- iv. The party being otherwise unable to present the case;*
- v. Arbitral Award dealt with dispute not contemplated by or not falling within the terms of the submission to arbitration;*
- vi. Decisions on matters beyond the scope of arbitration.*

25. Section 34 (2)(b) enables the Court to set aside the award if the Arbitral Award is in conflict with the Public Policy of India.

Explanation-1 to this provisions clearly says as to when an Award will be in conflict with Public Policy of India which is:-

- i. Award was induced or affected by fraud or corruption;*
- ii. was in violation of section 75 (confidentiality in conciliation);*
- iii. or in violation of Section 81 (adducing evidence contrary to the mandate of Section 81);*
- iv. Award is contrary to the fundamental policy of India;*

v. *ward is in conflict with the most basic notion of morality or justice.*

26. However, this Explanation is further, suffixed by Explanation No.2 which provides that the test as to whether there is a contravention with the fundamental policy of India shall not entail a review on the merits of the dispute.

27. Further, Section 34 (2A) of the Act, 1996 permits the Court to set aside an Award if there is patent illegality on the face of the Award but this provision is suffixed by a proviso stating therein that the Award cannot be set aside merely on the ground of an erroneous application of the law or by the re-appreciation of the evidence.

28. In the case of Welspun Specialty Solutions Limited v. Oil and Natural Gas Corporation Ltd. (SC) 2022(1) RCR (Civil) 140 the Hon'ble Supreme Court has clearly held that the phrase 'public policy' as used in Section 34 of the Act, 1996 does not indicate that the Award can be challenged on infinite grounds.

29. Further, in case of ONGC Ltd. v. Saw Pipes Ltd., (2003) 5 SCC 705, the Hon'ble Supreme Court held that the patent illegality as referred to in Section 34 of the Act, 1996 refers to a illegality which must go to the root of the matter and if the illegality is of trivial nature then it cannot be held that the Award is against the public policy. Award can be set aside only if it is so unfair and so unreasonable that it shocks the

conscience of the Court. Only such an Award can be said to be patently illegal against the public policy and has to be adjudged void.

30. Further, in the case of Dyna Technologies Pvt. Ltd. v. Crompton Greaves Ltd., (2019) 20 SCC 1, Hon'ble Supreme Court held that the arbitral awards should not be interfered with in a casual and cavalier manner, unless the Court comes to a conclusion that the perversity of the award goes to the root of the matter without there being a possibility of alternative interpretation which may sustain the arbitral award. It further held that Courts should not interfere with an award merely because an alternative view on facts and interpretation of contract exists.

31. In this case, in the application filed by the applicants as well as the arguments as advanced by learned counsel for the applicants, the main thrust as put forth by the applicants and their counsel is that the Arbitrator did not consider the evidence as put before him nor did he consider the objections raised regarding the Award passed by the Competent Authority and without proper appreciation of the evidence has passed the impugned Award.

32. I have gone through the Award passed by the Arbitrator which is attached with the application filed by the applicants. All the objections and pleas as pleaded before this Court by way of present application were duly raised by applicants before the Arbitrator and the Arbitrator after considering all the documents and evidence decided all

the objections of the applicants and thereafter, passed the Arbitral Award dated 30.01.2018. The Arbitrator duly addressed the plea that the acquired land is of commercial and residential potential, being situated in Village Arya Nagar, within a radius of approximately 8 kilometers from the Municipal Corporation, Hisar. The land is adjoining developed areas and is connected with important roads leading from Hisar to Pilibanga via Bhadra (Rajasthan). It is also attached with Ram Nagar Co-operative House Building Society Ltd., thereby enhancing its residential value. Educational institutions, including City College of Education and a school, are located in close proximity to the land. The land is suitable for residential as well as commercial development and possesses high market value due to its advantageous location. The Arbitrator discussed that how the applicants did not produce any evidence regarding residential, commercial or industrial activities as claimed by them to be taking place near their land and how the sale deeds produced by the applicant before the Arbitrator does not pertain to either the same village or that they pertain to very small chunk of land which cannot be compared with the measure of land as acquired by the Notification in question. The Arbitrator also addressed the concern of the applicants regarding the fact that the land adjoining the acquired land cannot be used for any residential or commercial purpose by virtue of Section 3 of Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 and Control of National Highways (Land and

Traffic) Act, 2002. The Arbitrator duly considered the letter No.11011/30/2015-LA dated 29.04.2015 while passing his Award and hence, awarded the solatium and interest to the applicants.

33. The applicants did not produce any document before this Court to show that the solatuim or the interest as awarded to the applicants does not confirm to the first schedule of Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

34. Now, there is a plethora of judgments of Hon'ble Supreme Court stating the scope of Section 34 of the Act 1996 few of which are National Highways Authority of India v. M/s Hindustan Construction Company Ltd. 2024 INSC 388; General Manager (Project), National Highways v. Prakash Chand Pradhan, (SC) 2020(15) SCC 533; MMTC Ltd. v. Vedanta Ltd., (2019) 4 SCC 163 and Ssangyong Engg. & Construction Co. Ltd. v. NHAI, (2019) 15 SCC 131.

35. Hon'ble Apex Court in all the above enumerated judgments has laid down time and again that the Courts cannot act as appellate courts over arbitral awards. The award can only be set aside on merely defined grounds as provided under Section 34 of the Act, 1996. Re-appreciation of evidence is impermissible under this Section and Court can only interfere in the merits of the arbitral award on the very limited grounds as provided under Section 34 of Act, 1996. Hon'ble Apex Court has time and again observed that the Courts have to be very conscious, if

any, interference is required in the arbitral award. The Courts cannot interfere with such award merely because an alternative view of facts or interpretation of the contract exists. The Courts cannot entertain the arguments that the findings of facts recorded by the Arbitrator have been passed after wrongly interpreting the facts and circumstances of the case.

36. As discussed above, this Court cannot sit in appeal over the Award in question. This Court does not have the power to modify the Award in question. This Court can only assess the Award in question in the light of Section 34(2) and 34(3) of the Act 1996. No ground, as specified in these provisions, have been shown to exist in the present case by the applicants. Section 34 of the Act, 1996 itself provides that to test whether there is contravention of fundamental policy of Indian Law the Court cannot review on the merits of the dispute and the Award cannot be set aside merely on the ground of an erroneous application of law or by re-appreciation of evidence. This Court can not go into the merits of the case and without there being any ground to set aside the Award or to sever the part of the Award which is against public policy or patently illegal and which stand on its own footing within the strict parameters of Section 34 of the Act 1996, cannot proceed to Section 34(4) of the Act, 1996.

37. The Arbitrator has considered all the objections, as raised by the applicants before him and also appreciated all the evidence as was put before him by the applicants. Applicants were given due notice and

opportunity to lead evidence by the Arbitrator. Applicants produced oral and documentary evidence before him and thereafter, only impugned award was passed. Merely because applicants believe that the decision on the basis of evidence led by them should have gone the other way is not a ground to proceed under Section 34(4) of the Act, 1996 by this Court. Hence, in such circumstances, there subsists no ground for interference in the Arbitral Award dated 30.01.2018, under challenge before this Court.

38. In view of the discussion as made above, the application filed by the applicants under Section 34 of the Act, 1996 for modifying the impugned Arbitral Award dated 30.01.2018 and for enhancing the amount of original compensation awarded by the competent authority stands **dismissed**. Memo of costs be prepared. Record of arbitration proceedings be sent back to the quarter concerned alongwith copy of this order. File be consigned to the record room after due compliance.

Pronounced in Open Court:

Dated: 07.08.2026

Parvinder Mohan SG-I

(Isha Khatri)

Additional District Judge,

Hisar.

UID No.HR0261

Note: All the Twenty Six pages of this order have been checked & signed by me.

(Isha Khatri)

Additional District Judge,

Hisar/ UID No.HR0261

Dated: 07.08.2026.