

CNR No:PBJL010062542025

CIS No: ARB-460-2025

National Highway Authority of India Vs. Dalbir Kaur and Ors

Present: Sh. Puneet Sareen, Advocate Ld. Counsel for petitioners.
Sh. Anup Gautam, Advocate Ld. Counsel for respondent no.1 to 3.

1. Registered covers not filed. However, sh. Anup Gautam Advocate filed memo of appearance on behalf of respondent no. 1 to 3.

2. Ld. Counsel for the petitioner pressed for interim stay on application under Section 36 (2) of Arbitration and Conciliation Act 1996 for staying the operation of award dated 16.12.2024 passed in MA-A-25 of 2023 by the Ld. Arbitrator i.e. Commissioner Jalandhar Division Jalandhar.

3. Ld. Counsel for the petitioner argued that the land in Village Mirankot Kalan Tehsil and District Amritsar was acquired for development of Delhi-Amritsar-Katra NH No. NE5A which was acquired vide award no. NE(5A)/2020 dated 15.04.2021 by the Competent Authority Land Acquisition (CALA) after completing the necessary formalities. It is further submitted that competent authority had assessed compensation of 51,98,400/- per acre along with main road and Rs.34,62,812/- per acre for remaining agriculture Khasra and Rs.2,40,70,240/- per acre for residential.

It is further submitted that another award no. 7 dated 06.08.2021 was passed for acquisition of land in Village Mirankot Kalan for which competent authority had assessed compensation of 51,98,400/- per acre along with main road and Rs.34,62,812/- per acre for remaining agriculture Khasra and Rs.2,40,70,240/- per acre for residential.

4. Feeling dissatisfied by the award passed by CALA, the land losers approached to the Ld. Arbitrator by way of MA-A-25 of 2023 and the

Ld. Arbitrator passed the award dated 16.12.2024 and Ld. Arbitrator has changed the nature of land from agriculture to gair mumkin/residential on account of which compensation has enhanced many folds due to different rates given for agriculture nature and residential nature of land. It is further submitted that the Ld. Arbitrator without taking into consideration the revenue record and by ignoring the chant rate and the nature of land as determined by the competent authority land acquisition, changed the nature of the land. It is further submitted that the nature of land can be determined only from the revenue record. It is further submitted that the Ld. Arbitrator wrongly held that the land of the landowners/respondents is of gair mumkin without taking any evidence regarding the same.

It is further argued that Ld. Arbitrator violated Section 26 and 28 of RFCTLARR Act of 2013 and therefore the award of the Ld. Arbitrator suffer from patent illegality and against the public policy. It is further submitted that arbitrator has also violated the provision of Section 29-A (4) of Arbitration and Conciliation Act, 1996 as the award was passed after termination of mandate and no extension was granted by any competent court. It is further argued that the award is liable to be set aside and at this stage, the same is liable to be stayed and prima facie case and balance of convenience also lies in favour of the applicant. It is further submitted that if the operation of the impugned award is not stayed, the applicant shall suffer an irreparable loss and injury causing huge loss to the Government exchequer. At last it is prayed that the interim stay may be granted on the award passed by the Ld. Arbitrator.

5. Ld. Counsel for the respondents prayed that the award may not be stayed unless the condition of deposit of amount imposed upon the petitioners.

6. I have heard the learned counsel for the petitioner and respondents and have perused the records of the case. As can be summed up on the basis of facts pleaded by the petitioner, the dispute involved in this case is that the Land Acquisition collector determined the nature of the land market value on the basis of Chant Rate after extensive exercise and the Ld. Arbitrator changed the nature of the land and held that the land of the respondent be treated as Gair Mumkin/residential.

Since there are arguable points involved in objection petition and the scope of this court for interference in award passed by Ld. Arbitrator shall be decided in the objection petition U/s 34 of Arbitration and Conciliation Act after considering the facts and law and at this stage, prima facie case and balance of convenience is to be seen and the same lies in favour of petitioner. But at the same time, the landloosers cannot be deprived from the compensation for their acquired land against their wishes.

7. The Hon'ble Supreme Court in the case titled as **PAM Development Pvt. Ltd. Vs. The State of West Bengal and another (2019) 8 SCC 112**, had observed that :-

“(15) The amended section 36 of the Arbitration Act provides for (a) after expiry of making an application to set aside the arbitral Award (i.e. 90 days from the Award) the Award shall be enforced as if it was a decree of the Court; (b) filing of an application under Section 34 shall not by itself render the Award unenforceable; (c) upon an application for grant of stay of the Award, the Court has the discretion to grant stay, which may be subject to such conditions as it may deem fit; (d) while passing any stay order the Court is to “have due regard” to the provisions of CPC for grant of stay of money decree.

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(18) In our view, in the present context, the phrase used is 'having regard to' the provisions of CPC and not 'in accordance with' the provisions of CPC. In the latter case, it would have been mandatory, but in the form as mentioned in Rule 36 (3) of the Arbitration Act it would only be directory or as a guiding factor. Mere reference to CPC in the said Section 36 cannot be construed in such a manner that it takes away the power conferred in the main statute (i.e. Arbitration Act) itself. It is to be taken as a general guideline, which will not make the main provision of the Arbitration Act inapplicable. The provisions of CPC are to be followed as a guidance, whereas the provisions of the Arbitration Act are essentially to be first applied. Since, the Arbitration Act is a self contained Act, the provisions of the CPC will apply only insofar as the same are not inconsistent with the spirit and provisions of the Arbitration Act."

8. Accordingly, after taking guidance from the legal position laid down in the aforementioned judicial pronouncement by the Hon'ble Supreme Court and our Hon'ble High Court, as an interim measure, the award passed by Ld. Arbitrator dated 16.12.2024 is stayed with the directions that the petitioner shall deposit 100% of award amount with the executing court within 30 days from receiving of the calculation sheet from concerned SDM. It is further directed that the NHAI shall obtain the calculation sheet within 15 days. The amount so deposited as per calculation sheet submitted by Competent authority Land Acquisition (CALA), the Ld Executing Court is requested to release 50% of the amount to the landloosers against bank guarantee in terms of orders

passed by the Hon'ble High Court in CR No.2594 dated 04.09.2025 with the further undertaking that the award holders shall comply with the decision passed in ARB No.460/2025 and the remaining amount shall be kept in the shape of FDR for one year with further renewal so as to earn maximum interest.

9. It is made clear that nothing said or observed herein shall have construed an expression of mine on the merits of the case. Case stands adjourned to 17.02.2026 for filing power of attorney and written statement.

Pronounced in Open Court:
17.09.2025

(Naresh Kumar Garg),
Additional District Judge-IX,
Jalandhar (UID No.PB00841)