



IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 23RD DAY OF MARCH 2026

PRESENT

THE HON'BLE MR. JUSTICE B.M. SHYAM PRASAD

AND

THE HON'BLE MR. JUSTICE SHIVASHANKAR AMARANNAVAR

MFA NO. 100821 OF 2026 (AA)

BETWEEN:

NATIONAL HIGHWAYS AUTHORITY
OF INDIA,
PROJECT IMPLEMENTATION UNIT,
DHARWAD,
2ND CROSS, SATTUR COLONY,
VIDYAGIRI, DHARWAD,
R/BY PROJECT DIRECTOR,
BHUVANESH KUMAR,
NOW AT R/O: SHIVA KRUPA NIVAS,
NEAR NEET EXCELLENT ACADEMY,
VIVEKANANDA NAGAR,
DHARWAD – 580 004.

... APPELLANT

(BY SRI. B. P. MATHAPATI, ADVOCATE)

AND:

1. SMT. VIMALA URF VIMALADEVI
W/O. BABULAL KOTHARI,
AGE: 62 YEARS, OCC: BUSINESS,
R/O: B. MAHENDRA AND BRO,
DURGADBAIL, HUBBALLI,
DIST: DHARWAD – 580 020.

Digitally
signed by
RAKESH S
HARIHAR
Location: High
Court of
Karnataka,
Dharwad
Bench



2. SMT. PUSHPA W/O. RAMESH KOTHARI,
AGE: 59 YEARS, OCC: BUSINESS,
R/O: B MAHENDRA AND BRO, DURGADBAIL,
HUBBALLI, DIST: DHARWAD – 580 020.
3. SMT. ANITA W/O. VIKRAM KOTHARI,
AGE: 55 YEARS, OCC: BUSINESS,
R/O: B. MAHENDRA AND BRO, DURGADBAIL,
HUBBALLI, DIST: DHARWAD – 580 020.
4. SMT. CHANDANBAI W/O. MAHENDRA KOTHARI,
AGE: 53 YEARS, OCC: BUSINESS,
R/O: B MAHENDRA AND BRO, DURGADBAIL,
HUBBALLI, DIST: DHARWAD – 580 020.
5. THE ADDITIONAL DEPUTY COMMISSIONER,
DHARWAD DISTRICT,
DHARWAD – 580 001.
6. THE SPECIAL LAND ACQUISITION OFFICER
AND COMPETENT AUTHORITY, NH-63,
UB HILL, DHARWAD – 580 007.

...RESPONDENTS

THIS MFA IS FILED UNDER SECTION 37(1) OF ARBITRATION AND CONCILIATION ACT, 1996, PRAYING TO ALLOW THIS APPEAL AND SET ASIDE THE JUDGMENT PASSED BY THE HON'BLE V ADDITIONAL DISTRICT AND SESSIONS JUDGE, DHARWAD SITTING AT HUBBALLI IN ARBITRATION PETITION NO.5040/2023, DATED 28.11.2023 IN THE INTEREST OF JUSTICE AND EQUITY.

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

CORAM: THE HON'BLE MR. JUSTICE B.M.SHYAM PRASAD
AND
THE HON'BLE MR. JUSTICE SHIVASHANKAR AMARANNAVAR



ORAL JUDGMENT

(PER: THE HON'BLE MR. JUSTICE B.M. SHYAM PRASAD)

A beneficiary, who is called upon to pay compensation under the National Highways Act, 1956 [for short, '*the Act of 1956*'], has impugned the order dated 28.11.2023 in Arbitration Petition No.5040/2023 on the file of the V Additional District and Sessions Judge, Dharwad sitting at Hubballi [for short, '*the District Court*']. The appellant has filed this Arbitration Petition No.5040/2023 calling in question the award dated 24.03.2023 under the National Highways Authority of India Act, 1988.

2. The learned Arbitrator has allowed the respondents' claim enhancing the market value of acquired land to Rs.1,897/- per square metre declaring that they would be entitled to all statutory/ consequential benefits and interest under



the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 [for short, '*the Act of 2013*'].

3. The respondents have filed an execution petition in Ex. No.443/2023, and the appellant has deposited the compensation payable based on the market value as determined in the award along with interest at 9% per annum. The Executing Court, considering the Memo of Calculation filed, has directed the appellant to deposit interest at 15% per annum for the period commencing from the date of possession. It is not in dispute that interest at this rate has also been deposited with the Executing Court. The controversy in this appeal is about the appellant's liability to pay interest at 15% per annum as aforesaid. The appellant has filed this belated appeal seeking condonation of delay of over two years relying upon observations by the Apex



Court in its Special Leave to Appeal (C)
No.187/2026.

4. Sri B.P. Mathapathi, the learned counsel for the appellant, argues both for condonation of delay and for sustaining the appeal, emphasizing the following.

[a] In the execution proceedings initiated by the respondents, the Executing Court, after the order under Section 34 of the Act of 1996, had directed the appellant to deposit interest at 15% per annum. The appellant, joined by the Special Land Acquisition Officer, filed writ petitions in W.P. No.106413/2025 and connected matters calling in question the Executing Court's order insofar as the present respondents in W.P. No.106414/2025.

[b] The writ Court, while answering the question on whether the compensation payable must include



interest under the Act of 2013 and such compensation should include solatium as envisaged under the Act of 2013, has opined that the compensation will include solatium and interest which is to be calculated in terms of the Act of 2013 i.e. at 9% per annum till the date of possession and at 15% per annum thereafter.

[c] The writ Court's order dated 15.09.2025 is carried to the Apex Court in the petition for Special Leave to Appeal (C) No.187/2026 which is disposed of on 19.01.2026 observing that the question of law is left open.

5. Sri B.P. Mathpathi submits that, it is in these circumstances, that the appellant has invoked the jurisdiction under Section 37 of the Act of 1996 seeking condonation of delay. The learned Counsel proposes to argue on why a distinction should be made from the writ Court's reasoning on the



appellant's liability to pay interest at 15% per annum for the period after the date upon which possession is taken.

6. The question of condonation of delay and the sustainability of the appeal is considered in the aforesaid circumstances. The Apex Court in the present circumstances has confirmed the appellant's liability to pay interest at 15% per annum, and this will be the final opinion on the appellant's liability to the respondents-land losers. The appellant cannot take advantage of the Apex Court's observation because that is to be considered in appropriate cases without this conclusion being a precedent. This Court is of the definite opinion that the Apex Court's observations cannot restore a cause that has lapsed. The question of condoning the delay and sustaining the appeal is answered against the appellant.



ORDER

The application [I.A. No.2/2026] and the appeal stand rejected. In view of the rejection of the appeal, the pending interlocutory applications stand disposed of as not surviving for consideration.

**Sd/-
(B.M. SHYAM PRASAD)
JUDGE**

**Sd/-
(SHIVASHANKAR AMARANNAVAR)
JUDGE**