



W.A.Nos.143, 1782 & 1784 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.06.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.A.Nos.143, 1782 & 1784 of 2024

AND

C.M.P.Nos.809, 813 & 12833 of 2024

W.A.No.143 of 2024

V.Kattappan (Died)

K.Magesh
Flat No.1A, Door No.100,
Plot No.1023, VI Avenue,
Anna Nagar, Chennai-600 040

Appellant(s)

Vs

1. The Government of India
Rep by its Secretary,
Ministry of Road Transport and Highways,
Transport Bhavan, New Delhi - 110 001.

2.The National Highways Authority of India
G5 and 6, Sector 10, Dwarka,
New Delhi.

3.The District Collector
Thiruvallur, Thiruvallur District – 602 001.



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4.The Competent Authority
Special District Revenue Officer,
(Land Acquisition National Highways-716B),
Thiruvallur, Thiruvallur District – 602 001.

5.The Project Director
The National Highways Authority of India,
No.7/16, Govindarajan Street, Tambaram
West, Chennai – 600 045.

Respondent(s)

PRAYER: Appeal filed under Clause 15 of the Letters Patent to set aside
the order dated 01.11.2022 passed by the learned Single Judge in
W.P.No.18497 of 2021.

For Appellant(s) : Mr.V.C.Janardhanan
for Mr.G.RM.Palaniappan

For Respondent(s) : Mr.K.Srinivasa Murthy
Senior Panel Counsel Central Government for R1

Mr.AR.L.Sundaresan
Additional Solicitor General of India
Assisted by Mrs.S.R.Sumathy
Standing Counsel for R2

Mr.Mohammed Fayaz Ali
Government Pleader for RR3 and 4

WA.No.1782 of 2024

The Project Director
The National Highways Authority of India
Chittoor, Andhra Pradesh State

Appellant(s)

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W.A.Nos.143, 1782 & 1784 of 2024

Vs

1. V.Kattappan (Died)
S/o.C.Vadivel Reddy,
Parandur Village, Uthukottai Taluk,
Thiruvallur District-602 066

2.The District Collector
Thiruvallur , Thiruvallur District - 602 001.

3.The Competent Authority and Special
District Revenue Officer (LA)
National Highways - 716B, Tiruvallur,
Tiruvallur District.

4.K.Vanaroja
Legal Heir of V.Kattappan,
Door No.48, Kammalar Street,
Parandur Village, Uthukottai Taluk,
Thiruvallur District

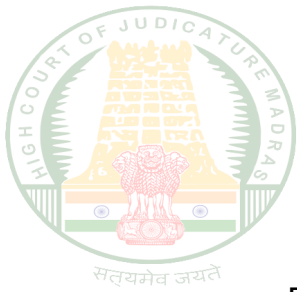
5.K.Magesh
Legal Heir of V.Kattappan,
Door No.48, Kammalar Street,
Parandur Village, Uthukottai Taluk,
Thiruvallur District

6.K.Kalpana
Legal Heir of V.Kattappan,
Door No.48, Kammalar Street,
Parandur Village, Uthukottai Taluk,
Thiruvallur District
(Deceased R1 is substituted by his LRs viz., RR4 to 6,
vide order dt. 02.04.2024 made in CMP.No.5625/2024
in WA.SR.No.15578/2023)

Respondent(s)

PRAYER: Appeal filed under Clause 15 of the Letters Patent to set aside
the order dated 01.11.2022 passed by the learned Single Judge in
W.P.No.26216 of 2022.

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For Appellant(s) : Mr.AR.L.Sundaresan
Additional Solicitor General of India
Assisted by Mrs.S.R.Sumathy
Standing Counsel

For Respondent(s) : Mr.V.C.Janardhanan
for Mr.G.RM.Palaniappan for R1

Mr.Mohammed Fayaz Ali
Government Pleader for RR2 and 3

W.A.No.1784 of 2024

1. The District Collector
Tiruvallur, Tiruvallur District-602001

2.The Competent Authority And
Special District Revenue Officer (LA),
National Highways-716B, Thiruvallur,
Thiruvallur District-602001

Appellant(s)

Vs

1. V.Kattappan(died)
S/o.C.Vadivel Reddy,
Parandur Village, Uthukottai Taluk,
Thiruvallur District-602066

2.The Project Director
The National Highways Authority of India,
Chittoor, Andhra Pradesh

3.K.Vanaroja
Legal Heir of V.Kattappan,
Door No.48, Kammalar Street,
Parandur Village, Uthukottai Taluk,
Thiruvallur District



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4.K.Magesh

Legal Heir of V.Kattappan,
Door No.48, Kammalar Street,
Parandur Village, Uthukottai Taluk,
Thiruvallur District

5.K.Kalpana

Legal Heir of V.Kattappan,
Door No.48, Kammalar Street,
Parandur Village, Uthukottai Taluk,
Thiruvallur District

(Deceased R1 is substituted by his LRs viz., RR3 to 5,
vide order dt. 02.04.2024 made in CMP.No.2836/2024
in WA.SR.No.90696/2023)

Respondent(s)

PRAYER: Appeal filed under Clause 15 of the Letters Patent to set aside
the order dated 01.11.2022 passed by the learned Single Judge in
W.P.No.26216 of 2022.

For Appellant(s) : Mr.Mohammed Fayaz Ali
Government Pleader

For Respondent(s) : Mr.V.C.Janardhanan
in all cases for Mr.G.RM.Palaniappan for R1

Mr.AR.L.Sundaresan
Additional Solicitor General of India
Assisted by Mrs.S.R.Sumathy
Standing Counsel for R2



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W.A.Nos.143, 1782 & 1784 of 2024

COMMON JUDGMENT

(Delivered by G.ARUL MURUGAN, J.)

Assailing the order dated 01.11.2022 made in W.P.No.26216 of 2022, whereby the writ Court allowed the writ petition filed by the first respondent/land owner (now substituted by his legal heirs respondents 4 to 6, since first respondent died) by setting aside the Award No.17/2021 dated 14.09.2021 and remanded the matter to the competent authority/Special District Revenue Officer (LA), for recomputation of compensation, the Project Director, National Highways Authority of India has preferred W.A.No.1782 of 2024.

2. Aggrieved by the same order dated 01.11.2022 made in W.P.No.26216 of 2022, the District Collector, Tiruvallur District and the Competent Authority/Special District Revenue Officer (LA) have preferred a separate appeal in W.A.No.1784 of 2024.

3. The land owner filed W.A.No.143 of 2024 challenging the separate order dated 01.11.2022 passed in W.P.No.18497 of 2021, wherein his challenge to the notification issued under Sub-sections (3) and (4) of Section 3G the National Highways Act, 1956 (hereinafter



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referred to as "the Act") came to be rejected, holding that the relief sought had rendered infructuous, since the land has already been utilized and further upon the issuance of the Section 3D notification, the land absolutely vests with the Government.

4. Since the issues involved in all the three writ appeals arise out of the same land acquisition proceedings, the appeals were heard analogously and are being disposed of by this common judgment.

5. For the sake of convenience, the parties are referred to as per their rank in W.A.No.1782 of 2024.

6. The relevant facts of the case are that the first respondent/ writ petitioner was the owner of lands measuring 3.30 acres comprised in survey Nos.171/1A, 174/1B, 172/2B and 172/2A1 of Perandur Village, Uthukottai Taluk, Tiruvallur District. These lands were sought to be acquired by the appellant/NHAI for the expansion of National Highway 716-B. Consequently, a notification under Section 3A(1) of the Act was issued on 03.03.2020, declaring the intention to acquire a portion of the above lands.



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6.1. The first respondent submitted objections on 04.04.2020.

After considering the remarks furnished by the appellant, the third respondent/competent authority passed an order on 07.09.2020 rejecting the said objections. Pursuant to this rejection, a declaration under Section 3D(1) of the Act was issued on 09.02.2021. Subsequently, a notice for the award enquiry under Section 3G(3) and (4) of the Act was issued on 20.07.2021, and the award enquiry was conducted on 04.08.2021. Ultimately, the third respondent/competent authority passed Award No. 17/2021 on 14.09.2021.

6.2. The first respondent filed W.P.No.26216 of 2022 challenging the award dated 14.09.2021 and another writ petition, W.P.No.18497 of 2021 challenging the notification dated 03.03.2020 issued under Section 3A(1) of the Act and the consequential notification issued under Sections 3G(3) and (4) of the Act for award enquiry.

6.3. The writ Court by finding that the relevant documents were not considered while arriving at the market value while passing the award as contemplated under Section 3G(7) of the Act, had quashed the award and remitted the matter to the competent authority/third



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respondent, for fresh computation. Consequently, the writ Court dismissed the other writ petition, observing that on issuance of notification under Section 3D, the subject land vests absolutely with the Government and further, since the land had already been utilized for the project, the challenge to the notification had rendered infructuous. Assailing the order setting aside the award, two separate appeals have been preferred, one by the NHAI and another by the State. The landowner preferred the remaining appeal, assailing the dismissal of his challenge to the notification.

7. Mr.AR.L.Sundaresan, learned Additional Solicitor General appearing for the NHAI, contended that once the competent authority determines the compensation and passes an award under Section 3G(1) of the Act in compliance with the procedure under Sections 3G(2) to (4), any party aggrieved by the decision must approach the District Collector/second respondent, who is the arbitrator, empowered to determine the compensation under Section 3G(5) of the Act by following the procedure under Section 3G(6) and (7) of the Act. When the scheme of the Act provides for arbitration challenging the award, the writ Court had erroneously set aside the award which is legally impermissible.



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8. The learned Additional Solicitor General further submitted that when the first respondent seeks higher compensation pursuant to the acquisition made under the notification, he cannot parallelly challenge the notification itself, thereby invoking two parallel proceedings which is unsustainable. He further submitted that insofar as the contention regarding the striking down of Section 3G(5) of the Act is concerned, the Hon'ble Supreme Court, in the case of ***M/s.Riar Builders Pvt. Ltd. and Another v. Union Bank of India and Others (SLP (Civil) Diary No. 26933/2025 decided on 30.05.2025)***, by interim order, has stayed the operation of the Punjab and Haryana High Court's decision and further directed that the proceedings under Section 3G(5) of the Act and Sections 34, 36, and 37 of the Arbitration and Conciliation Act, 1996 and the execution of arbitral awards shall continue in accordance with law and, therefore, the order passed by the writ Court is completely arbitrary and unsustainable.

9. Mr.Mohammed Fayaz Ali, learned Government Pleader appearing for the State also made submissions in line with the arguments of the learned Additional Solicitor General.



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10. Per contra, Mr.V.C.Janardhanan, learned counsel appearing for the land owner/writ petitioner (now represented by his legal heirs), submitted that since the relevant documents were not considered by the competent authority while arriving at the compensation, the writ Court merely remanded the matter to the competent authority to recompute the compensation after taking those documents into consideration. He further submitted that in compliance with the directions, a new award has already been passed and, therefore, no interference is required at this stage.

11. He further contended that the learned Judge had erroneously dismissed the writ petition challenging the notification finding that the land vests absolutely with the Government upon the mere issuance of a Section 3D notice, which is contrary to the statutory provisions of the Act, and, therefore, the impugned order warrants the interference of this Court.

12. We heard the submissions made on either side and considered the materials available on record.



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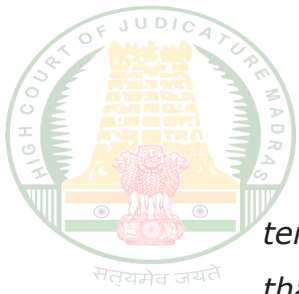
13. A portion of the land belonging to the first respondent/writ petitioner was sought to be acquired by the appellant/NHAI for the purpose of expansion of National Highways 716-B. A notification under Section 3A(1) of the Act, declaring intention to acquire, was issued on 03.03.2020 and the objections submitted by the land owner were rejected on 07.09.2020. Subsequently, a declaration under Section 3D of the Act was made through a notification dated 09.02.2021. Notice under Sections 3G(3) and (4) of the Act was issued on 20.07.2021 and after award enquiry, award No.17/2021 was passed on 14.09.2021.

14. The procedure for determination of compensation for the lands acquired under the Act is governed by Section 3G of the Act. For easy reference, Section 3G is extracted hereunder:

"3G.Determination of amount payable as compensation

(1)Where any land is acquired under this Act, there shall be paid an amount which shall be determined by an order of the competent authority.

(2)Where the right of user or any right in the nature of an easement on, any land is acquired under this Act, there shall be paid an amount to the owner and any other person whose right of enjoyment in that land has been affected in any manner whatsoever by reason of such acquisition an amount calculated at



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ten per cent. of the amount determined under sub-section (1), for that land.

(3)Before proceeding to determine the amount under sub-section (1) or sub-section (2), the competent authority shall give a public notice published in two local newspapers, one of which will be in a vernacular language inviting claims from all persons interested in the land to be acquired.

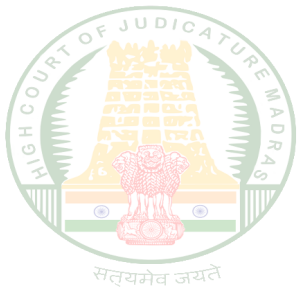
(4)Such notice shall state the particulars of the land and shall require all persons interested in such land to appear in person or by an agent or by a legal practitioner referred to in sub-section (2) of section 3C, before the competent authority, at a time and place and to state the nature of their respective interest in such land.

(5)If the amount determined by the competent authority under sub-section (1) or sub-section (2) is not acceptable to either of the parties, the amount shall, on an application by either of the parties, be determined by the arbitrator to be appointed by the Central Government.

(6)Subject to the provisions of this Act, the provisions of the Arbitration and Conciliation Act, 1996 (26 of 1996) shall apply to every arbitration under this Act.

(7)The competent authority or the arbitrator while determining the amount under sub-section (1) or sub-section (5), as the case may be, shall take into consideration-

(a)the market value of the land on the date of publication of the notification under section 3A;



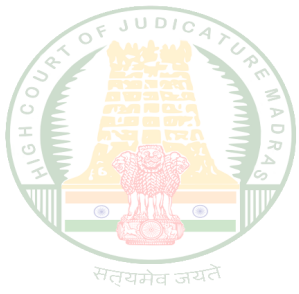
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(b)the damage, if any, sustained by the person interested at the time of taking possession of the land, by reason of the severing of such land from other land;

(c)the damage, if any, sustained by the person interested at the time of taking possession of the land, by reason of the acquisition injuriously affecting his other immovable property in any manner, or his earnings;

(d)if, in consequences of the acquisition of the land, the person interested is compelled to change his residence or place of business, the reasonable expenses, if any, incidental to such change."

15. As per Section 3G(1) of the Act, where any land is acquired under this Act, there shall be paid an amount which shall be determined by an order of the competent authority. The competent authority while fixing the compensation would follow the procedures set out under Sections 3G(2), (4) and (7). Once the award is passed by the competent authority determining the compensation, Section 3H contemplates that the amount so determined under Section 3G shall be deposited with the competent authority before taking possession of the land.

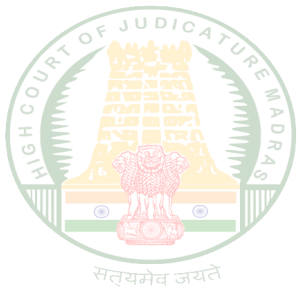


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16. If the amount determined by the competent authority under Sub-section (1) or Sub-section (2) of Section 3G is not acceptable to either of the parties, i.e., the landowner or the NHAI, Section 3G(5) postulates that, upon application by the either party, the arbitrator appointed by the Central Government shall determine the compensation. The District Collector/second respondent, has been appointed as the Arbitrator by the Government. The proceedings before the Arbitrator under Section 3G(5) shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the Arbitrator, while deciding the arbitration to determine the compensation amount, shall take into account the procedures contemplated under Section 3G(7).

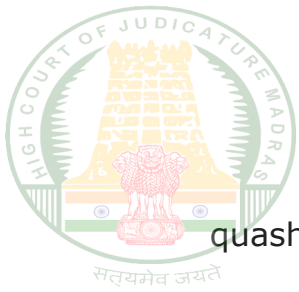
17. A bare perusal of the above provision, leaves no manner of doubt that once an award under Section 3G(1) is passed by the competent authority, the only remedy available to the landowner is to challenge the award by preferring an arbitration petition before the District Collector under Section 3G(5) of the Act.



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18. In the instant case, instead of choosing to file an arbitration petition before the second respondent/District Collector, the first respondent chose to challenge the award through a writ petition. Even though the first respondent raised several grounds in challenging the award, the learned Judge, by calling for the records and analyzing documents of the nearby lands, came to the conclusion that some of the documents ought to have been taken into account and subsequently found fault with the amount determined as compensation.

19. The learned Judge had in fact assumed the role of the arbitrator in deciding the challenge to the award, which is impermissible and cannot be sustained. It is to be noted that the writ Court had not interfered with the award on the grounds of lack of jurisdiction or failure to afford proper opportunity of being heard to the parties. When the learned Judge found no fault regarding jurisdiction or lack of opportunity, the only course open was to relegate the party to file an arbitration petition challenging the award, as contemplated under Section 3G(5) of the Act. Instead, the writ Court analysed the documents and concluded that several documents were not taken into account when arriving at the compensation amount and thereby



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quashed the award and remanded the matter for fresh determination.

The writ petitioner, being satisfied with the remand for recomputation of the compensation, did not prefer any appeal.

20. At this juncture, it is also useful to refer to the order passed by the Hon'ble Supreme Court as cited by the learned Additional Solicitor General, wherein the Hon'ble Supreme Court, while staying the operation of the judgment delivered by the Punjab and Haryana High Court declaring Section 3G of the Act unconstitutional, directed that all pending proceedings under Section 3G(5) of the Act and the proceedings under the Arbitration Act, including execution, shall continue in accordance with law.

21. Further, the Hon'ble Supreme Court in the case of ***United Bank of India v. Satyawati Tondon and Others [(2010) 8 SCC 110]*** held that when an alternative and efficacious remedy is available, issues cannot ordinarily be adjudicated in a writ petition under Article 226 of the Constitution of India and the parties must be relegated to the competent authority. Once it is concluded that the writ petition filed by the first respondent challenging the award is not maintainable and that the proper remedy is to file an arbitration



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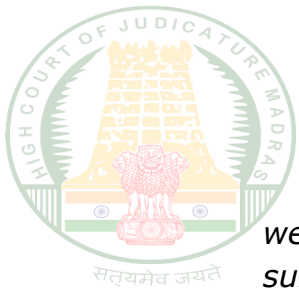
petition before the second appellant/District Collector under Section 3G(5) of the Act, the only logical corollary is to set aside the order passed by the writ Court thereby granting liberty to respondents 4 to 6, as legal heirs, to pursue arbitration challenging the award.

22. Accordingly, W.A.No.1782 and 1784 of 2024 stands allowed and the order passed by the writ Court dated 01.11.2022 in W.P.No.26216 of 2022 is set aside.

23. It is the contention of the learned counsel for the first respondent that the other writ petition challenging the notification ought not to have been dismissed by the writ Court with the observation that once the notification under Section 3D of the Act was issued, the land vests with the Government, ignoring the fact that compensation had not been paid. In this regard, it is useful to refer to Section 3E of the Act, which reads as under:

3E. Power to take possession -

(1)Where any land has vested in the Central Government under sub-section (2) of section 3D, and the amount determined by the competent authority under section 3G with respect to such land has been deposited under sub-section (1) of section 3H, with the competent authority by the Central Government, the competent authority may by notice in writing direct the owner as



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well as any other person who may be in possession of such land to surrender or deliver possession thereof to the competent authority or any person duly authorised by it in this behalf within sixty days of the service of the notice.

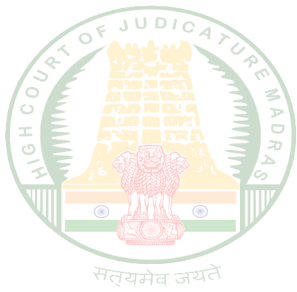
(2) If any person refuses or fails to comply with any direction made under sub-section (1), the competent authority shall apply—

(a) in the case of any land situated in any area falling within the metropolitan area, to the Commissioner of Police;

(b) in case of any land situated in any area other than the area referred to in clause (a), to the Collector of a District,

and such Commissioner or Collector, as the case may be, shall enforce the surrender of the land, to the competent authority or to the person duly authorised by it.”

24. As per Section 3E of the Act, when once the notification is issued under Section 3D(1) and the amount determined by the competent authority under Section 3G(1) is deposited under Section 3H(1) of the Act, the competent authority may, by notice, direct the owner to deliver possession. The learned Additional Solicitor General submitted that immediately after passing of the Award No.17/2021 dated 14.09.2021, the compensation arrived at was deposited before the Court concerned and, therefore, the arguments raised by the first respondent are totally misplaced.



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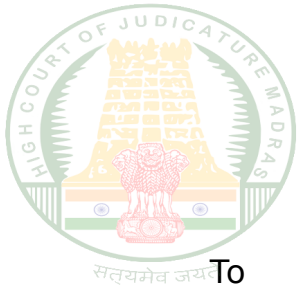
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25. At this juncture, the learned counsel for the first respondent seeks permission to withdraw the deposited compensation amount. Once the award has been passed and the compensation amount is deposited, the competent authority is entitled to take possession of the land under Section 3E of the Act. Accordingly, liberty is granted to the respondents 4 to 6 to withdraw the compensation amount deposited before the Court concerned and to prefer an arbitration petition challenging the award, if so advised.

26. Resultantly, W.A.No.1782 of 2024 and W.A.No.1784 of 2024 are allowed, while W.A.No.143 of 2024 stands dismissed. There shall be no order as to costs. Consequently, interim applications stand closed.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)
30.06.2026

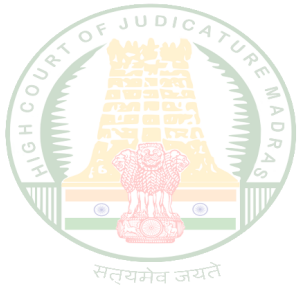
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- To
1. The Secretary
Government of India
Ministry of Road Transport and Highways,
Transport Bhavan, New Delhi - 110 001.
 2. The National Highways Authority of India
G5 & 6, Sector 10, Dwarka,
New Delhi.
 3. The District Collector
Thiruvallur, Thiruvallur District – 602 001.
 4. The Competent Authority
Special District Revenue Officer,
(Land Acquisition National Highways-716B),
Thiruvallur, Thiruvallur District – 602 001.
 5. The Project Director
The National Highways Authority of India,
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W.A.Nos.143, 1782 & 1784 of 2024

THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

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