



W.A.Nos.459 to 461 of 2024

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07.02.2024

CORAM

THE HON'BLE MR.SANJAY V.GANGAPURWALA, CHIEF JUSTICE  
AND  
THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.A.Nos.459 to 461 of 2024

The Project Director  
National Highways Authority of India  
Project implementation Unit – Chennai  
"Sri Tower", 3<sup>rd</sup> Floor, DP – 34(SP)  
Industrial Estate, Guindy  
Chennai – 600 032.

.. Appellant in  
all W.As.

Vs.

S.Balu

.. Respondent-1 in  
W.A.No.459/24

K.B.Nageswaran

.. Respondent-1 in  
W.A.No.460/24

Vasanthi  
Renuga Devi  
Baskar  
Suguna  
Vijay Anand  
Udhayakumar

.. Respondents 1-6  
in W.A.No.461/24



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The Arbitrator & District Collector  
Thiruvallur District.

.. R2 in W.A.Nos.  
459 & 460/24 &  
R7 in W.A.No.  
461/24

The Special District Revenue Officer (LA)  
NH 205, No.3&4 Lal Bagadhur Sasthri St  
Periyakuppam Railway Street  
Near Thulasi Theatre  
Thiruvallur – 602 001.

.. R3 in W.A.Nos.  
459 & 460/24 &  
R8 in W.A.No.  
461/24

Prayer: Appeals filed under Clause 15 of the Letters Patent against the orders dated 24.01.2022 made in W.P.No.716 of 2022, W.P.No.720 of 2022 and W.P.No.302 of 2022

For the Appellant : Mr.S.Srinivasan

For the Respondents : Ms.M.F.Shabana  
for R1 in W.A.Nos.459 & 460/24  
& R1 to R6 in W.A.No.461/24

Mr.A.Edwin Prabakar  
State Government Pleader  
for R2 & R3 in W.A.Nos.459 & 460/  
24 and R7 & R8 in W.A.No.461/24

COMMON JUDGMENT  
(Delivered by the Hon'ble Chief Justice)

The present private respondents/original writ petitioners have filed a batch of writ petitions before the learned Single Judge seeking



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directions against the third respondent therein/present appellant to deposit the compensation amount as per the award passed by the Collector under the provisions of the National Highways Act, 1956 and disburse the same. The learned Single Judge disposed of the writ petitions by passing the following orders:

*"4. Accordingly, all the writ petitions are disposed of with the following directions:*

*(1) The respondents are directed to deposit the enhanced compensation amount as per the Arbitral Award together with interest at the rate of 9% per annum from the date of taking possession under Section 3D of the National Highways Act, 1956, with the competent authority within a period of one week from the date of receipt of a copy of this order.*

*(2) If the respondents failed to obtain any interim order against the arbitral award in the Arbitration Original Petition on the file of the Principal District Court, Tiruvallur within a period of four weeks from the date of receipt of a copy of this order, the competent authority is*



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*directed to disburse the compensation amounts which were deposited by the respondents forthwith."*

2.1. Learned counsel for the appellant strenuously contented that none of the conditions raised by the present appellant was considered by the arbitrator while passing the award. The issue of limitation was subsequently raised and the same has not been addressed by the arbitrator. Other factual aspects were also raised, however, without considering the grounds raised by the present appellant, the award has been passed, thereby, awarding the exorbitant compensation amount.

2.2. The appellant has filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 (for brevity, hereinafter referred to as the 'Act of 1996') challenging the said award, but, due to the fact that the officer in-charge to register got changed twice, the application was not registered.



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2.3. Learned counsel further submits that in fact, the writ petitions ought not to have been entertained; the writ petitions are not maintainable. The original petitioners had the liberty to file execution petitions. Learned counsel further submits that the learned Single Judge came to the conclusion that the writ petitions are not maintainable, as there is a specific alternate remedy available under Section 36 of the Act of 1996 for execution, however, still directed the appellant to deposit the enhanced compensation amount with interest at the rate of 9% per annum and further observed that if any interim order against the arbitral award is not obtained within four weeks, the competent authority was directed to disburse the compensation amount. Learned Single Judge has not decided on the merits raised by the contentions of the present appellant. The condition imposed to deposit the amount and disburse the same is an onerous one.

3.1. Learned counsel for the private respondents/original writ petitioners submits that the writ petitions to claim payment of the enhanced amount as per the award are maintainable. Reliance is



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placed on the judgment of a Division Bench of this Court dated 24.07.2018 in W.P.Nos.1230 of 2018. It is submitted that in respect of the property acquired for the same project earlier, award is passed in the year 2017 and the rate of compensation awarded therein is only awarded to the original petitioners in these matters.

3.2. It is further submitted that it is the bounden duty of the authorities to deposit the amount as per the award. The appellant has paid the enhanced amount of compensation, as per the arbitral award, in respect of some claimants, but is selectively depriving of the enhanced amount to the original petitioners.

4. We have considered the submissions advanced by learned counsel for the parties.

5. No doubt, the original petitioners have a remedy of execution under Section 36 of the Act of 1996. Learned Single Judge had relied upon the order of this Court dated 16.11.2021 in W.P.Nos.14766 of 2021 with regard to the maintainability of the writ petitions.



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6. Be that as it may, according to the present appellant, the challenge to the arbitral award is pending consideration before the concerned District Judge. In view of that, it would not be proper for us to comment upon the merits of the arbitral award. In light thereof, we have not considered the contentions of the respective parties upon the merits of the arbitral award.

7. The deposit of amount would also be to the advantage of the present appellant, inasmuch as with regard to the amount deposited, the further interest would be arrested.

8. We may appreciate the anxiety of the original petitioners to receive the enhanced compensation amount and at the same time, the grounds raised by the present appellant also will have to be considered by the Court dealing with the application under Section 34 of the Act of 1996. The equities will have to be adjusted.

9. Learned Single Judge had also passed further orders, which in



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our opinion would be required to be modified. In the light of that, we pass the following orders:

(i) In some of the appeals, this Court had directed the present appellant to deposit 50% of the amount of enhanced compensation, which according to the learned counsel for the appellant, has been complied with and the 50% of the amount is deposited. The 50% of the amount already deposited shall be transferred to the Court of the concerned District Judge, where the application filed by the appellants under Section 34 of the Act of 1996 is pending;

(ii) In other appeals, where the amount of 50% of the enhanced compensation amount is not deposited, the same shall be deposited by the present appellant with the concerned Court within a period of ten weeks from today (i.e., 17.04.2023);

(iii) The original petitioners are at liberty to apply for the withdrawal of the amount, which



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application shall be considered by the concerned District Judge, on its own merits and after hearing all parties concerned, appropriate orders shall be passed;

(iv) The present appellant may also seek further orders on the stay petition before the learned District Judge;

(v) Depending upon the order, that may be passed by the learned District Judge on the application of the original petitioners for withdrawal of the amount, further steps may be taken with regard to the amount, if lying in the Court, such as to invest the same in a Nationalised Bank or otherwise; and

(vi) Considering the huge amount involved, the learned District Judge, with whom the application under Section 34 of the Act of 1996 is pending, may endeavour to decide the application under Section 34 of the Act of 1996 expeditiously.





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THE HON'BLE CHIEF JUSTICE  
AND  
D.BHARATHA CHAKRAVARTHY, J.

(kpl)

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