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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10-11-2025

CORAM

THE HONOURABLE MR JUSTICE S. M. SUBRAMANIAM

AND

THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

WA No. 3324 of 2023

1. The Project Director

National Highways Authority of India,
Project Implementation Unit -Chennai,
“SRI TOWER”, 3rd Floor, DP-34 (SP),
Industrial Estate, Guindy, Chennai 32

Appellant(s)

Vs

1. S.Jathan Bai Alias S.Jathan Devi

2.The Competent Authority cum
Special District Revenue Officer,
(Land Acquisition), National Highways
205, No. 3 and 4, Lal Bagadhur Sasthiri
St, Periyakuppam Railway Station,
(Near) Thulasi Theatre,
Thiruvallur 602 001



3.The District Collector

Office of the Thiruvallur District
Collector, Master Plan Complex NH
205, Chennai - Tiruttani Hwy,
Thiruvallur, Tamil Nadu 602 001

Respondent(s)

PRAYER

To set aside the common judgement passed by the Learned Judge in WP.No.17922 of 2021 dated 16.11.2021 and thus render justice.

For Appellant(s): Mr.Su.Srinivasan
Standing Counsel for NHAI

For Respondent(s): No appearance for R1
Mr.A.Selvendran
Special Government Pleader For R2 & R3

ORDER

(Order of the Court was made by S.M.Subramaniam J.)

The 1st respondent/original writ petitioner has filed a writ petition before the learned Single Judge seeking direction against the 1st and 2nd respondents therein to deposit the compensation amount as per the award passed by the Arbitrator/District Collector under the provisions of the National Highways Act,



1956 and disburse the same. The learned Single Judge disposed of the writ petition by passing the following orders:

“4. Accordingly, all the writ petition is 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 directed to disburse the compensation amount which was deposited by the respondents forthwith.”



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2. The learned counsel for the appellant would strenuously contend that none of the grounds raised by the 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 an exorbitant compensation amount.

3. 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.

4. The learned counsel would further submit that in fact, the writ petition ought not to have been entertained. The writ petition is not maintainable. The original petitioner had the liberty to file execution. The learned counsel would further submit that the learned Single Judge came to the conclusion that the writ petition is not maintainable, where 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 of the contentions raised by the appellant. The condition imposed to deposit the amount and disburse the same is an onerous one.

5. 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 this Court 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.

6. 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.

7. We may appreciate the anxiety of the original petitioner 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.

8. The learned Single Judge had also passed further orders, which in the opinion of this Court would be required to be modified. In the light of that, this Court passes the following orders:

(i) In some of the appeals relating to this case, this Court had directed the 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



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concerned Court within a period of ten weeks from the date of receipt of a copy of this order;

(iii) The original petitioner is at liberty to apply for the withdrawal of the amount, which 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 petitioner 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.

(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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10. With these observations and directions, the writ appeal stands disposed of. There will be no order as to costs. Consequently, the connected miscellaneous petitions, if any, are closed.

(S.M.SUBRAMANIAM J.)(MOHAMMED SHAFFIQ J.)
10-11-2025

gd

Index:Yes/No

Speaking/Non-speaking order

Internet:Yes

Neutral Citation:Yes/No



To
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