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W.A.No.2283 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06.11.2025

CORAM:

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM
AND
THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.A.No. 2283 of 2023
and
C.M.P.No.19568 of 2023

The Project Director,
National Highways Authority of India,
Project Implementation Unit – Chennai,
“Sri Tower”, 3rd Floor, DP-34(SP),
Industrial Estate, Guindy,
Chennai – 600 032.

...Appellant

Vs.

1.D.Rajendran

2.The Arbitrator & District Collector,
Thiruvallur District.

3.The Special District Revenue Officer (LA),
NH 205, No.3&4, LalBagadthur Sasthiri Street,
Periyakuppam Railway Road, Near Thulasi Theatre,
Thiruvallur – 602 001.

...Respondents

PRAYER: The Writ Appeal filed under Clause 15 of the Letters Patent praying to set aside the order dated 01.12.2022 in W.P.No.32400 of 2022.



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For Appellant : Mr.SU.Srinivasan

For Respondents : Mr.M.P.Saravanan for R1

Mr.A.Selvendran, Spl.GP for R2 & R3

J U D G M E N T

(Judgment of the Court was delivered by S.M.SUBRAMANIAM, J.)

The present private respondent/original writ petitioner has filed a writ petition seeking direction against the third respondent therein to deposit compensation amount as per award passed by Arbitrator/District Collector under provisions of National Highways Act, 1956 and disburse the same. Writ Court disposed of writ petition by passing 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



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disburse the compensation amount which was deposited by the respondents forthwith.”

2. Learned counsel for the appellant would strenuously contend that none of the conditions raised by the present appellant was considered by arbitrator while passing award. Issue of limitation was subsequently raised and same has not been addressed by arbitrator. Other factual aspects were also raised. However, without considering grounds raised by the appellant, award has been passed, thereby awarding an exorbitant compensation amount.

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

4. Learned counsel would further submit that the writ petition is not maintainable. The original petitioner could have filed an execution petition. The learned Single Judge came to a conclusion that writ petition is not maintainable, since there is an alternate remedy available under Section 36 of the Act of 1996 for execution. However directed the appellant to deposit enhanced compensation amount with interest at rate of 9% per annum and further observed that, if any interim order against arbitral award is not obtained



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within four weeks, competent authority was directed to disburse the compensation amount. Issues are not decided on merits of the contentions raised by appellant. The condition imposed to deposit amount and disburse the same is an onerous one.

5. No doubt, original petitioner has a remedy of execution under Section 36 of the Act of 1996. Writ Court relied upon order of this Court dated 16.11.2021 in W.P.No.14766 of 2021 with regard to maintainability of writ petition.

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



compensation amount and at the same time, grounds raised by present appellant also will have to be considered by Court, dealing with application under Section 34 of the Act of 1996. The equities will have to be adjusted.

9. The learned Single Judge had also passed further orders, which in the opinion of this Court would be required to be modified. In light of that, this Court passes 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 concerned Court within a period of ten weeks from today (i.e., 19.12.2025);

(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;



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(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.

10. With these observations and directions, writ appeal stands disposed of. There will be no order as to costs. Consequently, the connected miscellaneous petition is closed.

(S.M.S., J.) (M.S.Q., J.)
06.11.2025

dsa
Index :Yes/No



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Neutral Citation :Yes/No
Speaking/Non-speaking order

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