



W.P.(MD)No.15744 of 2024

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Reserved on : **25.03.2025**

Delivered on : **04.04.2025**

CORAM:

THE HONOURABLE MR JUSTICE P.B. BALAJI

W.P.(MD)No.15744 of 2024

and

W.M.P.(MD)No. 13710 of 2024

1. Krishnasamy. V
2. M.Radhagowri

... Petitioners

/Vs./

1. The Project Director
National Highways No.45e and 220,
Having Office at Plot No.3, Suriya Towers,
2nd Floor, 1st Street, K.K.Nagar,
Madurai - 625 020.
2. The Special District Revenue Officer,
Competent Authority For Land Acquisition,
(National Highways - 45e and 220),
Collectorate Buildings, Theni - 625531.



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3. M.Murugan

4. S.Dasarathan

5. M.Mani

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus directing the respondent Nos.1 and 2 relating to Survey No.1526/2 Allingaram Village Theni District and direct 2nd respondent to update petitioners name in the list of affected parties for receiving the compensation amount deleting the names of respondent Nos.3 to 5 in the records maintained by 2nd respondent.

For Petitioners : Mr.M.Jayakumar

For Respondents : Mr.S.Kameswaran
Government Advocate for R2

: Mr.P.Karthick for R1

: Mr.S.Malaikani for R3 & 4

ORDER

The Writ Petition has been filed seeking a writ of mandamus, to direct the respondents 1 and 2 to update the names of the petitioners in the list of affected parties for receiving compensation, after deleting the names of the respondents 3 to 5 in the records maintained by the second respondent.

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2. I have heard Mr.M.Jayakumar, learned counsel for the petitioners, Mr.S.Kameswaran, learned Government Advocate for the second respondent, Mr.P.Karthick, learned counsel for the first respondent and Mr.S.Malaikani, learned counsel for the respondents 3 and 4. The fifth respondent, despite being served, has not chosen to appear either in person or through a counsel.

3. The learned counsel for the petitioners, Mr.M.Jayakumar, would submit that the lands, belonging to the petitioners, were acquired by the National Highways Authority of India, by issuing Notification under Section 3-A of the National Highways Act, 1956 on 02.09.2011. He would further submit that in furtherance of the Notification issued under Section 3-D of the National Highways Act, 1956 on 09.08.2012, an award was passed under Section 3-G of the National Highways Act, 1956 on 15.03.2013.

4. It is the case of the writ petitioners that the writ petitioners had entered into an unregistered agreement of sale with the respondents 3 to



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5 on 06.07.2014. The learned counsel for the petitioners would submit that the said agreement was not proceeded with and in the absence of any registered sale deed in favour of the respondents 3 to 5, they were not entitled to receive the compensation amount in respect of Land Acquisition Proceedings initiated under the National Highways Act, 1956. The learned counsel would further submit that the agreement of sale was much after the award came to be passed on 06.07.2014 and therefore, on the date of the agreement of sale, no right was conferred on the respondents 3 to 5, to claim any compensation for the Land Acquisition Proceedings, as the agreement itself was a void transaction. The learned counsel would further contend that the respondents 3 to 5 were not entitled to receive any further compensation.

5. The learned counsel for the petitioners would place reliance on the judgment of the Hon'ble Supreme Court in Civil Appeal No.8003 of 2019 (*Shiv Kumar & Another V. Union of India & Ors.*) dated 14.10.2019, where the Hon'ble Supreme Court has held that the original land owner cannot be deprived of higher compensation by conferring rights on alienees, whose purchasers were void. He would invite my



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attention to the observation of the Hon'ble Supreme Court that the provisions of Act 30 of 2013 deem to do away with all intermeddles, by ensuring payment in the Bank account of land holders under Section 77 of the Act.

6. He would place reliance on the judgment of the Hon'ble Supreme Court in Civil Appeal Nos.6342 and 6343 of 2012 (*V.Chandrasekaran @ Anr. V. The Administrative Officer & Ors.*) dated 18.09.2012, where the Hon'ble Supreme Court held that the vendors were not competent to make any transfer, as none of them had good title over the suit land. It was therefore held that any and all sale transactions are illegal and void and the sale-deeds executed in favour of the appellants, do not confer upon them, any title. It was further held that the subsequent purchasers cannot challenge the validity of the land acquisition.

7. He would place reliance on the judgment of the Full Bench of the Allahabad High Court, in Writ-C No.30608 of 2018 (*Sursati V. State of U.P and others*), dated 05.09.2022, where one of the questions



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framed by the Full Bench was as to whether a subsequent purchaser of the land acquired under the National Highways Act, 1956, after publication of declaration under Section 3D(1), was entitled to receive compensation on the strength of his vendor's title in view of Section 3D(2). Answering the said issue, the Full Bench of the Allahabad High Court, held that the persons who purchased the land, after determination of amount of compensation under Section 3-G of the National Highways Act, 1956 are not entitled to claim any compensation from the competent authority and their only remedy would be to claim damages under common law from the Vendors. Therefore, the learned counsel for the petitioners would submit that consistently the Hon'ble Supreme Court and other High Courts have also held that the purchasers himself not being entitled to receive compensation, the case on hand being only agreement holder is worse of and therefore, the names of the respondents 3 to 5 ought to be removed and instead the names of the petitioners will have to be updated and further compensation has to be paid to the petitioners.



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8. Mr.P.Karthick, learned Standing Counsel for the first respondent would submit that the land acquisition proceedings were initiated in accordance with the statute and all the provisions have been duly adhered to and the competent authority under Section 3H(3) of the National Highways Act, 1956 is vested with power to determine the persons, who are entitled to receive the compensation amount and accordingly, in view of the writ petitioners themselves executing sworn declarations before a Notary Public, expressing no objection for payment of compensation in favour of the respondents 3 to 5, the compensation amount was paid to the third respondent. He would therefore submit that in view of their own actions, the petitioners were estopped from even filing the present writ petition. He would therefore seek for dismissal of the writ petition.

9. Similarly, Mr.S.Malaikani, learned counsel for the respondents 3 and 4, would also submit that the petitioners cannot object for payment of compensation under the land acquisition proceedings to the respondents 3 to 5 as they had clearly consented for such payment and duly informed the authority as well.



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10. I have carefully considered the submissions advanced by the learned counsel on either side.

11. It is not in dispute that the lands belonging to the petitioners have been acquired for the purposes of National Highway under National Highways Act, 1956. It is also an admitted position that the petitioners have entered into an agreement of sale (unregistered) with the respondents 3 to 5, proposing to sell the subject lands. No doubt, the law is well settled with regard to the fact that the land owner alone would be entitled to receive compensation and a purchaser acquiring interest, after the award came to be passed, cannot claim any compensation as his purchase itself is void under law. There is no quarrel with regard to the proposition laid down by the Hon'ble Supreme Court as well as the Full Bench of the Allahabad High Court. However, the facts of the present case are not as simple as narrated by the learned counsel for the petitioners. The parties did not stop with a mere agreement on sale. The petitioners have further executed sworn affidavits expressing no objection for the compensation amount to be paid to the respondents 3 to 5. It is only on the strength of these affidavits that the compensation



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amount was paid to the agreement holders. In fact, the petitioners, in all fairness ought to have disclosed the fact that they had executed such consent affidavits, permitting compensation to be paid to the private respondents 3 to 5. Therefore, after having consented for payment being made to the respondents 3 to 5, it is not open to the petitioners to approach this Court and contend that as land owners, they alone were entitled to receive the compensation amount and the compensation paid to the respondents 3 to 5 was improper and unfair.

12. No doubt, under the unregistered agreement of sale, no rights were conferred upon the respondents 3 to 5. Though it is contended that in furtherance of the sale of agreement, there is no registered deed of conveyance, it is not possible for this Court to visualize circumstances under which, the petitioners may have given up the right to receive compensation. These were all within the contractual terms agreed upon between the parties. Further, when the petitioners had authorised the respondents 3 to 5 to receive compensation and the said consent / authorization, was also acted upon, by releasing compensation to the respondents 3 to 5, it is not open to the petitioners to thereafter knock at

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the doors of this Court and contend that the compensation amount is to be paid only to the petitioners. If at all the petitioners have any grievance that the respondents 3 to 5 have committed any breach of the terms of the agreement of sale or that they are not entitled to receive compensation, despite, the no objections / consent letters / affidavits executed by the petitioners, it shall be open to the petitioners to approach the civil Court alone and seek redressal of the grievances, including reclaim payment of compensation amounts received by the respondents 3 to 5. It is not open to the petitioners to invoke the writ jurisdiction and seek for a mandamus to direct the official respondents to update their names and pay compensation to them.

13. I have also gone through the original files that were produced by the official respondents. The petitioners have signed a sworn declaration, where they have clearly stated in view of the agreement of sale entered into between the petitioners and the respondents 3 to 5 and the land acquisition proceedings initiated, they were not in a position to convey the subject lands and therefore, the compensation amount can be released to the respondents 3 to 5. This arrangement would have

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probably been clinched in order to refund the advance amount that was received from the respondents 3 to 5, which this Court cannot ascertain, exercising power under Article 226 of the Constitution of India. Therefore, once the petitioners themselves have gone on record stating that they had no objection for the respondents 3 to 5 to receive compensation amount, the petitioners are estopped from contending the compensation amount should be paid to them and not to the agreement holders and that the agreement was also void because it was entered into after the award came to be passed. I also noticed that even in the representation given by the petitioners to the second respondent, they have admitted that the petitioners had given consent for payment of compensation amount to the respondents 3 to 5 and only in and by said letter dated 12.10.2023, the petitioners state that they are withdrawing the consent given. In response to the said letter, the second respondent has also sent a reply stating that the entire compensation of Rs.3,92,069/- has already been paid to the respondents 3 to 5 and therefore, the petitioners would have to only approach the competent civil Court for getting relief.



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14. I do not find the said stand taken by the respondents being illegal or perverse. The second respondent has rightly called upon the petitioners to approach the competent civil Court, since based on the consent affidavits given by the petitioners, the compensation amount has already been paid to the agreement holders.

15. In view of the above, I do not find any merit in the contentions advanced by the learned counsel for the petitioners. Even though the law is well settled with regard to the entitlement of the land owners for compensation, in matters like these where the land owners themselves have given no objections / letters / affidavits for payment of compensation to other persons and based on such consent, the payment of compensation has also been made to such authorized persons, it shall not be open to the land owners thereafter go back on the consent affidavit and claim that the compensation should be paid only to them. It is always open to the petitioners to work out their remedy and rights available under law, by approaching the competent civil Court.



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16. In fine, this Writ Petition is dismissed. However, the petitioners are at liberty to approach the competent Civil Court to establish all their claims and such recovery of the compensation paid to the respondents 3 to 5. There shall be no order as to costs. Consequently, connected Miscellaneous Petition is closed.

Index : Yes / No
NCC : Yes / No
LS

04.04.2025

TO:-

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2nd Floor, 1st Street, K.K.Nagar,
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P.B. BALAJI, J.

LS

Pre-delivery Order made in
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Dated:
04.04.2025