



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CR-4346-2026

Date of Decision: 22.05.2026

National Highways Authority of India

... Petitioner

V/s

M/s Modage Secuirty Systems Pvt. Ltd. and others

... Respondents

CORAM : HON'BLE MR. JUSTICE VIKRAM AGGARWAL

Present: Mr. Suvir Kumar, Advocate, for the petitioner.

VIKRAM AGGARWAL, J (ORAL)

The present revision petition, preferred under Article 227 of the Constitution of India, assails the order dated 09.04.2026 (Annexure P-6) passed by the Court of Additional District Judge (Executing Court), Rupnagar.

2. The operative part of the impugned order reads as under:-

“8. The petitioner filed the present application under Section 34 of Act alongwith the main petition filed under Section 36(2) of the Arbitration & Conciliation Act, 1996 to stay the operation till the disposal of the objection petition under Section 34 of the Arbitration & Conciliation Act, 1996. No amount has been deposited by the petitioner till date regarding the award under challenged. The petitioners are directed to deposit the amount as per award against which the objections have been filed within 15 days of the passing of the present order and the operation of the award dated 20.12.2022 is stayed till the disposal objection petition under Section 34 of the Act, 1996 subject to deposit of amount. Out of which 50% amount is ordered to be released to the respondent No.1 subject to his furnishing indemnity bonds of the double of the amount subject to one surety in the like amount whereas 50% of the deposited amount would be kept in the shape of FDR and would not be released till the disposal of the petition under Section 34 of the Act. In case, the petitioners fails to deposit the amount within the given time then the Executing Court is at liberty to proceed with the execution and the stay order granted by this Court shall be vacated automatically. The application disposed of accordingly.”

3. The sole grievance of the petitioner is with regard to the direction of withdrawal/release of 50% compensation of the amount to be deposited by the petitioner subject to furnishing of indemnity bonds by the landowner/s.

4. Learned counsel for the petitioner has referred to order dated 23.03.2026 passed by the Hon'ble Supreme Court in *SLP Nos.26913-26915 of 2025* titled as *Vineet Sharma and another Vs. National Highway Authority of India and others* and other connected matters wherein a similar issue arose. The Hon'ble Supreme Court of India passed the following order:-

“2. It is a matter in which acquisition of the land belonging to the petitioners was made by the NHAI and the determination of compensation is an issue, wherein the direction to deposit the entire amount and release 50 per cent on bank guarantee has been ordered.

3) In our view, when the land belonging to petitioners was acquired to which compensation has been determined and deposited, though under challenge before the High Court, however, putting such an onerous condition to release 50% only on the bank guarantee does not appear reasonable. In support of the said contention reliance has been placed on the order dated 02.02.2026 passed recently in the case of National Highways Authority of India v. Indian Acrylics Limited & Ors. (SLP (C) Diary No. 2998 of 2026). However, considering the same, we dispose of these petitions with the direction that condition No. 21(ii) stands modified and the condition of furnishing bank guarantee by the High court for release of 50% amount stands set aside. The said amount be released to the land owners, on furnishing security of their own land, or on the security furnished of any other land owner submitting the papers of title. As prayed, the proceedings with respect to determination of the compensation pending before the High Court may be decided on priority or as expeditiously as possible.”

5. Learned counsel for the petitioner submits that the impugned order be modified and that instead of furnishing of an indemnity bond,

respondent No.1 be directed to furnish security as ordered by the Hon'ble Supreme Court.

6. I have considered the submissions made by learned counsel for the petitioner.

7. There would be no necessity of issuing notice to the respondents, for, in view of the nature of the order that is proposed to be passed, no prejudice would be caused to them.

8. It is incomprehensible as to why, after noticing orders dated 02.02.2026 and 23.03.2026 passed by the Apex Court, the Executing Court imposed the condition of furnishing indemnity bonds.

9. Be that as it may, keeping in view the orders passed by the Hon'ble Apex Court, while holding that the stay of the operation of the award subject to deposit of the entire award amount, does not call for any interference, the direction to release 50% of the same subject to furnishing of indemnity bonds in a sum of double of the amount to be released with one surety of the like amount is modified to the extent that the said release of 50% shall be subject to furnishing of security by the land-owner of its own land or on the furnishing of security of any other land-owner submitting the papers of title and 50% of the deposited amount shall be kept in the form of an FDR in some nationalized Bank fetching the maximum rate of interest and shall not be released till the disposal of the petition under Section 34 of the Act of 1996.

10. The revision petition is accordingly disposed of in the above terms.

Pending application(s), if any, shall also stand disposed of.

(VIKRAM AGGARWAL)
JUDGE

May 22, 2026	Whether speaking/reasoned	:	Yes/No
vcgarg	Whether reportable	:	Yes/No