

ORDER PASSED BELOW APPLICATION DATED 29/07/2026

This is an application filed by the respondent for withdrawal of payment/amount deposited by the applicant.

2. The respondent submitted that the applicant has preferred the application under Section 34 of the Arbitration and Conciliation Act, 1996 (Hereinafter referred as “the Act”). The National Highway Authority of India has deposited compensation amount of Rs. 4,16,734/- on 08/04/2026. The respondent further submitted that, the application filed under Section 34 of the Act, is barred by the law of limitation, previously also the National Highway Authority of India has filed application under Section 34 of the Act. Hence present application is hit by Res-judicata.

4. The respondent further alleged that the applicant preferred various applications in the execution proceeding and continue to delay the process for one reason and another. The applications were rejected by the executing court, therefore the applicant were left no option other than to deposit the amount. It is further contended by the respondent that the land of farmers were affected due to expansion of road. The farmers not only suffered loss of land but their livelihood also suffers as they deprived compensation from agricultural activities. The amount which is awarded is much less than the respondent claim in the petition. Thus the rate cannot be less than what is already been awarded therefore the respondent prayed for compensation needs to be disbursed or allow to be withdraw to the respondent without any condition. If the

application is not allowed then the respondent suffer huge loss. Hence, respondent prayed that he be allowed to withdraw the amount of Rs. 4,16,734/-along with accrued interest.

5. The applicant opposed the application by submitting that, he has deposited 100% amount as per the order passed by the court. FIR has been registered by Central Bureau of Investigation (CBI), ACB, Pune, against the Arbitrator, Dr. Anil Ganpatrao Ramod for offence under section 7 of the Prevention of Corruption Act, 1988. Therefore, the arbitral award is under severe cloud of suspicion as award procured by corrupt means by the respondent. Hence they are not legally entitled to claim the amount deposited by the applicant. The applicant is a public body and the funds involved are public fund, therefore release of such substantial amount without adequate security especially when the award is under the challenge is unacceptable and involved high risk.

6. The applicant further submitted that, when the the arbitral award in the form of money decree is under challenge any, release of the deposited amount must be adequately secured by an unconditional solvent bank guarantee from a nationalized bank. A Mere personal undertaking is wholly insufficient and provides no real security for the recovery of public funds.

7. The advocate for the applicant in support of his above submission relied on the ratio laid down in following case laws :-

Sr. No.	Case Laws
1	National Highways Authority of India Vs. Maharaj Singh & Ors., S.L.P (Civil) No. 27289/2024, dt. 20/02/2025
2	National Highways Authority of India Vs. Mam Kaur &

	Ors., S.L.P (C) No. 15585/2025.
3	National Highways Authority of India Vs. Pankush Mittal & Ors., S.L.P (Civil) No. 27228/2024, dt. 16/01/2025
4	National Highways Authority of India Vs. Piara Lal & Ors., CR-2594-2025 (O&M), dt. 04/09/2025

8. On relying above authorities, the advocate for the applicant submitted that, the award is under challenge and it is under the severe cloud of doubt and suspicion. The amount deposited by the applicant involved the public fund therefore it needs to be adequately secured.

9. The advocate for the applicant further submitted that, the litigation pending under Section 34 of the Act is pending therefore, though applicant paid an award amount, it needs to be secured by imposing condition of furnishing adequate bank guarantee.

10. Perused application and say, heard both advocate at length. It reveals from the record that the respondents are the agriculturist, their land was compulsory acquired by the applicants. If the application is not allowed then the respondent will suffer huge loss which cannot be compensated. The farmers whose lands were affected due to expansion of road as a result they not only loss of land but also suffer their livelihood. The filing FIR against the arbitrator cannot be considered while dealing this matter as it is the subject matter of independent proceeding. It is a matter of record that the award in question has not been set aside by the competent court.

11. It is a matter of record that the applicant has deposited a compensation of Rs. 4,16,734/- on 08/04/2026. The applicant has

also contended that, he has deposited 100% amount as per the order passed by the executing court. It is also matter of record that, the respondents are the land owners whose lands have been acquired. Admittedly the farmers whose land came to be acquired suffered loss of lands, it also affect on their livelihood, so they cannot be deprived by imposing condition of bank guarantee for withdrawal of compensation amount deposited by the applicant. In my opinion, if the condition of furnishing of bank guarantee imposed on the respondent it would cause undue hardship upon him and he cannot take the fruits of the award or compensation legally entitled for. Admittedly the award under the challenge has not been set aside so it shows that, arbitral award remain in force unless it is set aside by the competent court. Therefore the respondent cannot be deprived of getting compensation of the deposited amount solely on the account of pendency of application filed by the applicant under Section 34 of Act. The authorities cited by the applicant are not helpful to them as the facts and circumstances in this case are totally different. Therefore in my opinion, the respondent is entitled to withdraw the amount by furnishing solvent surety, therefore in my opinion application needs to be allowed in following terms.

Order

1. Application is allowed.
2. The Nazir is directed to pay the entire amount of Rs.4,16,734/-/- (Rupees Four Lakh Sixteen Thousand Seven Hundred and Thirty Four only) along with accrued interest in favour of the respondent (**decree holder**), subject to furnishing solvent sureties of the like amount.
3. Nazir after due identification to pay the entire amount to the respondent (**decree holder**).

4. The decree-holder to file an undertaking to return the money withdrawn by him with interest in case the judgment debtor succeeds in first appeal.
5. The prayer of applicant National Highways Authority of India for furnishing bank guarantee is rejected.
6. Application disposed off accordingly.

Pune
Date : 31/07/2026.

[S. D. Kulkarni]
District Judge -23,
Pune.

“Certificate”

I affirm that the contents of this PDF file are same word for word as per original.

Name of Steno	:	V. D.Khirid, (Steno-I)
Court name	:	Shri. S. D. Kulkarni Addl. Sessions Judge, Pune.
Judgment delivered on	:	31.07.2026
Judgment signed by PO on	:	01.08.2026
Judgment uploaded on	:	01.08.2026