



W.A.No.1801 of 2024

2025:KER:68397

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR. JUSTICE A.MUHAMED MUSTAQUE

&

THE HONOURABLE MR. JUSTICE HARISANKAR V. MENON

MONDAY, THE 15TH DAY OF SEPTEMBER 2025 / 24TH BHADRA, 1947

WA NO. 1801 OF 2024

AGAINST THE JUDGMENT DATED 29.08.2024 IN WP(C) NO.23660 OF
2024 OF HIGH COURT OF KERALA

APPELLANT/RESPONDENT NO.1:

NATIONAL HIGHWAYS AUTHORITY OF INDIA
REPRESENTED BY ITS PROJECT DIRECTOR
THUSHARABINDHU NO.337, CHANDRANAGAR EXTENSION,
PALAKKAD P.O, PALAKKAD DISTRICT, PIN - 678007

BY ADVS.
SRI.LEJO JOSEPH GEORGE
SRI.E.C.KURIAKOSE
SRI.B.G.BIDAN CHANDRAN - SC

RESPONDENTS/PETITIONERS 1 & 2 & RESPONDENTS/
RESPONDENTS 2 & 3:

- 1 LAWERENCE
S/O JOSEPH, AGED 62 YEARS
MUTTATH HOUSE, POTTA P.O., SUNDAIKAVALA,
VIA CHALAKUDY, THRISSUR DISTRICT, PIN - 680722
- 2 KOCHUTHRESIA
W/O MANJOORAN JOSE, AGED 63 YEARS
WEST CHALAKUDY, CHALAKUDY P.O,
THRISSUR DISTRICT, PIN - 680307



- 3 SPECIAL DEPUTY COLLECTOR
SLAO AND COMPETENT AUTHORITY (LA) ,
N.H.D.P THRISSUR-20 THRISSUR DISTRICT,
THRISSUR P.O, PIN - 680001
- 4 DISTRICT COLLECTOR & THE ARBITRATOR
LAND ACQUISITION - LA (NH) , CIVIL STATION,
THRISSUR, AYYANTHOL P.O. , THRISSUR DISTRICT,
PIN - 680003

BY ADVS.

SMT.ROSE MICHAEL

SMT.MEERAMOL JIJI

SRI.MICHAEL PAUL CHITTINAPPILLY

SRI.C.P.WILSON

SRI.E.C.KURIAKOSE

SRI.K.V.MANOJKUMAR, SENIOR GOVERNMENT PLEADER

THIS WRIT APPEAL HAVING BEEN FINALLY HEARD ON
15.09.2025, THE COURT ON THE SAME DAY DELIVERED THE
FOLLOWING:

**C.R.****J U D G M E N T****A. Muhamed Mustaque, J.**

This intra-court appeal is filed by the National Highways Authority of India (NHAI), challenging the judgment of a learned Single Judge, directing them to pay solatium and interest thereon, passed under the National Highways Act, 1956 (hereinafter referred to as 'Act', for short).

2. The compensation fixed by the 3rd respondent was challenged before the 4th respondent/arbitrator by the claimants, and awards were passed by the arbitrator. The awards of the arbitrator were challenged before the District Court under Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'Act, 1996' for short), read with Section 3G(6) of the Act, by the claimants, and the same were modified by the District Court. It is challenging one of the orders of the District Court that the appellant approached this Court by filing Arbitration Appeal No.6 of 2024 under Section 37 of the Act, 1996. In the meantime, the claimants approached this Court seeking direction to the appellant to pay the solatium and



interest thereon, which resulted in the impugned judgment. It is fairly admitted that a stay has been granted in the Arbitration Appeal by this Court.

3. The learned counsel for the NHAI submits that, in the light of the National Highways (Manner of Depositing the Amount by the Central Government; Making Requisite Funds Available to the Competent Authority for Acquisition of Land) Rules, 2019 (hereinafter referred to as 'the Rules', for short), they are not bound to deposit the amount in view of the challenge they already made before this Court. It is appropriate to refer the relevant provisions of the law in this regard.

4. Section 3H(1) of the Act directs the NHAI to deposit the amount in such manner as prescribed in the Rules. It is appropriate to refer to Rule 3(i)(b) of the Rules, which reads as follows;

" Where the amount determined by the Arbitrator under sub-section (7) of section 3-G of the Act is in excess of the amount determined by the competent authority, the excess amount, together with interest, if any, awarded by the Arbitrator, within 30 days of the communication of Arbitrator's award, unless such Award has been further challenged by either of the aggrieved parties."



5. It is submitted by the learned Standing Counsel for the NHA I that, in the light of the challenge made before this Court, they are not statutorily bound to deposit the amount. It is fairly submitted that once the challenge finally comes to an end, they are bound by the Rules to deposit the amount.

6. As rightly pointed out by the learned Standing Counsel for the NHA I, we find that the direction to deposit the amount before exhausting the statutory remedies under the law is legally unsustainable.

7. In such circumstances and also taking note of the fact that a stay has already been granted in the appeal preferred by the NHA I against the same award, we *set aside* the impugned judgment.

Accordingly, this appeal stands allowed.

Sd/-
A. MUHAMED MUSTAQUE
JUDGE

Sd/-
HARISANKAR V. MENON
JUDGE