

THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

WRIT PETITION No.2318 of 2018

ORDER:

Petitioner asserts that his land came to be acquired for the purpose of formation of Four Lane Road from Andhra Pradesh – Karnataka Border to Gooty i.e., from KM 368-900 to 424-225 of NH 63 (new NH 67) in DBFO pattern and Award No.6, dated 04.08.2016 was passed under Section 3G of the National Highways Act, 1956 (for short 'the Act'), determining the compensation amount with respect to the land acquired. He further asserts that being dissatisfied with the compensation amount, he submitted an application to the competent authority, as notified by the Central Government, in terms of Section 3G (5) of the Act on 04.08.2016, for re-determination of the compensation amount. His grievance is that in spite of the fact that more than 1½ years have elapsed, no action is taken thereon. Therefore, he preferred the present Writ Petition seeking a Mandamus by way of issuing a direction to the respondents to take necessary action on the said application for re-determination of the compensation amount.

Learned Government Pleader, on instructions, submits that though the petitioner submitted an application, on account of the

administrative work, no immediate action was taken thereon but now, the respondent authorities are taking necessary action in terms of Section 3G(5) of the Act.

It is well settled by a catena of judgments that a land loser is entitled for payment of interest on the compensation amount determined by the competent authority/Court, and if such compensation is re-determined, interest is payable thereon by treating it as original compensation. It is to be noted that Section 80 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 mandates that the interest is to be paid @ 15% per annum on the compensation amount which has not been paid before the date of expiry. This Court can take judicial notice of the fact that as on date, the interest that is payable by the banks even on the Government securities is not exceeding 9% per annum and with respect to the FDRs, it is only between 7% and 8% per annum. Therefore, the inaction on the part of the competent authority in re-determining the compensation amount being made would result in a huge burden on the State whereunder it is required to pay interest @15% per annum. In other words, the delay being caused on account of the inaction of the second respondent i.e.,

competent authority, is casting additional burden on the State Exchequer, by way of payment of huge amount towards interest.

In those circumstances, the Writ Petition is disposed of with the direction to the second respondent to take necessary steps forthwith on the application stated to have been submitted by the petitioner for re-determination of the compensation amount, at any rate, within a period of four (4) weeks from the date of receipt of a copy of this order. Further, the first respondent is directed to prescribe the guidelines, issue necessary instructions to the authorities concerned and mandate the timeframe within which necessary action that is required to be taken in all the land acquisition cases, by sensitizing the aspect of payment of differential interest amount and the loss caused to the State on account of the inaction of the State authorities. However, the first respondent shall ensure that such guidelines are issued by way of a Government Order, within a period of six (6) weeks from the date of receipt of a copy of this order.

Miscellaneous Petitions, if any pending shall stand disposed of. There shall be no order as to costs.

CHALLA KODANDA RAM, J

7th MARCH, 2018.

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