

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**Civil Writ Petition No.26930 of 2016
Decided on : 20.03.2018**

Balkar Singh and others

... Petitioners

Versus

Union of India and others

... Respondents

CORAM : HON'BLE MR.JUSTICE G.S. SANDHAWALIA

Present: Mr. Karan Gupta, Advocate
for the petitioners.

Mr. Neeraj Madaan, Advocate
for respondents.

G.S. Sandhawal, J. (Oral)

The present writ petition has been filed under Article 226/227 of the Constitution of India seeks direction to respondent No.3 to pay compensation in lieu of the land acquired measuring 0.1667 hectares out of Khasra No.1139 and 1140 situated in Village Madanpur, Tehsil Rajpura, District Patiala alongwith interest @ 15% from the date of award. The land was acquired for the construction of Special Railway Project: Eastern Dedicated Freight Corridor in the District of Patiala alongwith land falling in six other khasra numbers.

The award was passed on 14.12.2011 (Annexure P-1) and a sum of ₹25,57,50,082/- was deposited in the account of the competent authority, as the acquisition was under the Railways Act, 1989 (for short 'the Act'). The market value of the land had been assessed @ ₹60 lakhs per acre.

Counsel for the petitioners at the outset submits that even the balance amount of ₹31,88,652/- for the said khasra numbers has been received on 13.02.2017 through cheques. Photocopy of the cheques in favour of the petitioners have been placed on record.

The dispute only now pertains to the amount of interest which the petitions are entitled on account of the late disbursal of the amount.

Section 20-H of the Act provides that the amount has to be deposited by the Central Government, which has been determined with the competent authority before taking possession of the land. Sub-Clause (2) of the said Section provides that as soon as may be the competent authority shall on behalf of the Central Government pay the amount to the person or persons entitled thereto. The relevant part of the Section 20-H reads as under:-

“20-H Deposit and payment of amount--(1) The amount determined under Section 20-F shall be deposited by the Central Government, in such manner as may be prescribed by that Government, with the competent authority before taking possession of the land.

(2) As soon as may be after the amount has been deposited under sub-section (1), the competent authority shall on behalf of the Central Government pay the amount to the person or persons entitled thereto.”

A perusal of the Award would go on to show that the Deputy Chief Project Manager had been asked to deposit the amount in the account of the competent authority as such. It is also not disputed that a sum of ₹84,46,541/- was received by the petitioners for the other set of

land and there was only a dispute qua two khasra numbers bearing No.1139 and 1140, which would be clear from the letter dated 22.07.2015 (Annexure P-2), wherein receipt of the payment was admitted and the balance amount was claimed. The same was followed up on 18.12.2015 (Annexure P-3) for payment of the balance amount of compensation. A legal notice dated 06.10.2016 (Annexure P-4) was sent to the same effect.

The respondents reacted to the same expeditiously at that point of time and asked the petitioners to come forward to receive the balance compensation on 22.11.2016, which would be clear from reply dated 17.11.2016 (Annexure P-5) and (Annexure P-6), which was also reply to the legal notice of the counsel for the petitioners.

The petitioners, thereafter, on 18.11.2016 (Annexure P-7) raised the demand of interest on account of delay in disbursal and submitted representation dated 23.11.2016 (Annexure P-8). In such circumstances, the present writ petition came to be filed that payment has also to be made.

The stand of the respondents in the reply is that the petitioners have been called for payment after 06.10.2016 and a letter had also sent on 17.11.2016. It has also been averred that now payment has also been made for two khasra numbers and delay as such is not on their part. The stand has been taken that the land shall vest absolutely in the Central Government free from all encumbrances on the publication of the declaration under sub-Section (2) of Section 20-E of the Act and that the competent authority had issued notices to land owners to get

compensation and petitioners had not come forth. However, the respondents have not been able to show that any communication as such was addressed for the disbursal of the amount, once the same was deposited.

It is the case of the petitioners themselves that initial payment of ₹84,46,541/- was received which would be clear from the communication dated 22.07.2015 (Annexure P-2). However, the balance amount was not paid and as noticed it was only on 17.11.2016 for the first time the respondents have responded for the payment which has now been made on 13.02.2017, which would be clear from the photocopies of the cheques.

Once the amount stood deposited with respondent No.3 and the land stood vested on account of provisions made under Section 20-E (2), the entitlement as such of the petitioners to receive the amount and the duty of respondent No.3 to disburse the same as soon as possible arose. On account of the lapse the petitioners have been put at loss as such for the period in question for which the respondent No.3 shall have to pay interest.

In similar circumstances, this Court in **CWP No.13170 of 2016 'Ramesh Kumar and others Vs. Union of India and others'** and other connected cases decided on 25.01.2018, which was an Award under the National Highway Act, 1956 also directed to pay interest @ 9% per annum, on account of the delay.

The exact date of payment of ₹84,46,541/- which was picked

up by the petitioners has not been made clear, on which date the petitioners were also entitled for the balance amount, which should have been released. Mr. Gupta has submitted that the said amount was paid in the year 2012. In such circumstances, this Court is of the opinion that the respondents shall be liable to pay the interest from 01.01.2013 till 13.02.2017 on the balance amount of ₹31,88,652/- @ 9% per annum within a period of 2 months from the receipt of the certified copy of this order. In case, the amount is not paid within the prescribed period, the interest rate would go up to 12% per annum.

The writ petition stands allowed accordingly.

MARCH 20, 2018
Naveen

(G.S. SANDHAWALIA)
JUDGE

Whether speaking/reasoned:

Yes/No

Whether Reportable:

Yes/No