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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of Decision: 16th April, 2018

+ W.P.(C) 4613/2015

JAIPAL SINGH

..... Petitioner

Through: Mr.Rahul Sharma, Advocate.

versus

THE LAND ACQUISITION COLLECTOR (DISTRICT NORTH-
WEST) Respondents

Through: Mr.Yeeshu Jain, Standing Counsel with
Ms.Jyoti Singh, Advocate for L&B/LAC.
Ms.Niharika Ahluwalia and Ms.Ananthka
Singh, Advocates for DDA.

CORAM:

HON'BLE MR. JUSTICE G.S.SISTANI

HON'BLE MS. JUSTICE SANGITA DHINGRA SEHGAL

G.S.SISTANI, J. (ORAL)

1. By the present petition filed under Article 226 of the Constitution of India, the petitioner seeks a writ of mandamus directing the respondent/LAC to pay interest on delayed payment for the period 23.05.2014 (wrongly typed as 23.04.2014 in the prayer clause) to 31.12.2014 on the interest amount payable to the petitioner i.e. Rs.40,26,441/- in terms of the judgment dated 24.04.2014 passed in Writ Petition (Civil) No.71/2014, titled as “***Jaipal Vs Govt. of NCT of Delhi & Anr.***”

2. The necessary facts to be noticed for the disposal of this Writ Petition are that in December 2013, the petitioner herein filed a writ petition pertaining to his agricultural land measuring 41 bighas and 12 biswas

situated in the revenue estate of Village Kirari Suleman Nagar, Patti Nithari, Delhi which was acquired vide Award No.25/2005-06/DC/NW dated 06.02.2006. The petitioner filed a number of writ petitions before this Court seeking interest under Section 34 of the Land Acquisition Act, 1894. In Writ Petition (Civil) No.71/2014, while allowing the writ petition the respondents were directed to pay interest w.e.f. 31.10.2006 to 03.06.2011 in terms of Section 34 of the Land Acquisition Act, 1894 within a period of four weeks from the date of the order. The respondents did not comply with the order of this Court despite the petitioner having visited the office of the respondents and despite a legal notice having been issued on 13.10.2014. The respondents neither paid the interest nor bothered to reply to the legal notice leaving the present petitioner to approach this Court once again by filing Contempt Petition (Civil) No.889/2014. This contempt petition was dismissed as not pressed on 15.12.2014 when the following order was passed:

“The learned counsel for the respondent is present and has stated that as sufficient budget was not available with the respondent, therefore, the interest component could not be paid in terms of order dated 24.04.2014. It has been further stated that the order of the Court will be complied with and the interest shall be paid within a period of two months from today”.

3. On 31.12.2014 the petitioner was paid interest of Rs.36,23,797/- after deduction of 10% tax as per the judgment dated 24.04.2014. The complaint of the petitioner is that the petitioner was to be paid interest within four weeks of 24.04.2014 but interest was paid only on 31.12.2014.

4. By the present petition, the petitioner claims interest w.e.f. 23.05.2014 to 31.12.2014. The petitioner has also placed reliance on a decision in the

case of “*Chandra Bansi Singh & Ors. vs State of Bihar & Ors.*” reported at **1984 AIR 1767** in support of his submissions that even if the petitioner may not be entitled to interest on interest as per Land Acquisition Act, but the Court also being a Court of equality can grant interest specially keeping in mind the plight of a poor farmer.

5. No counter affidavit has been filed. The sequence of facts which have been extracted hereinabove would show that since the interest was not paid to the petitioner, he was forced to file a writ petition which was allowed on 24.04.2014. A direction was issued to the LAC to make payment of interest within four weeks. The LAC did not comply with the order dated 24.04.2014 passed by a Division Bench of this Court which forced the petitioner to file contempt petition and in the said contempt petition, the LAC agreed to make the payment which was made on 31.12.2014.

6. Counsel for the petitioner has placed reliance on a decision in the case of “*Chilukuri Ramarao And Ors. vs Govt. Of A.P. And Ors.*” reported at **1998 (3) ALD 491**. Paras 10 and 11 are reproduced below:-

10. The learned Counsel for the petitioners next contends that if not as interest, this Court being a Court of Equity, can grant equitable interest as there is substantial delay in depositing the interest into Court inspite of the directions of this Court in W.P. Nos. 4272 and 8515 of 1990. We see force in this contention. In the instant case, the petitioners are deprived of the possession and enjoyment of the acquired lands with effect from 15-12-1984. Of course, the compensation amount was deposited on 3-9-1989, but the State failed to deposit statutory interest on the compensation amount. Hence, the petitioners were forced to approach this Court for directions to pay interest by filing W.P. Nos. 4272 and 8515 of 1990 and the said two writ petitions were allowed on 24-3-1992. But, inspite of the said directions given by this Court on 24-3-1992, the State failed to pay or deposit the interest within a reasonable time. The State deposited that amount only

when the petitioners initiated Contempt Proceedings. The interest amount was deposited only on 27-3-1993. Thus, there is a long gap of one year and 7 months to comply with the directions of this Court in depositing the interest. No explanation is forthcoming for the said delay in depositing the accumulated interest as per the directions of this Court. Hence, if not as of right under the provisions of the Land Acquisition Act, the petitioners are entitled for some compensation for the late deposit of accumulated interest of Rs.9,85,442/- from 1-5-1992 (i.e., after the expiry of one month from the date of judgment) upto 22-7-1993 (the date of deposit of interest as per the directions of this Court. In Chandra Bansi Singh v. State of Bihar and Batch), while considering a similar question, the three Judge Bench of the Apex Court held that under the regular proceedings under Land Acquisition Act, whatever the amounts specified can only be awarded but not extraneous claims and that extraneous claims can be allowed only by way of equitable remedy. In para 16 of the judgment, it is observed thus:

"So far as the delay, is concerned, the appellants have undoubtedly a case for payment of some compensation in equity though not under law and as this Court is not only a Court of law but also a Court of equity as well, it will be impossible for us to deny this relief to the appellants. After taking into consideration the various shades and aspects of the case, we are clearly of the opinion that apart from the compensation which may be awarded by the Collector or enhanced by the Judge or a higher Court, the appellants should get an equitable compensation in the form of interest calculated at the rate of 7 1/2% per cent per annum for two years on the value of the land owned by each land owner. This equitable compensation has been awarded in the special facts of this case, and will not be the subject-matter of appeal, if any, under the Act on the amount of compensation."

In R.F. Charitable Trust Hyderabad Rep. by its Trustee v. Special Deputy Collector, Land Acquisition and others, Himayatnagar, (1991 (1) ALT 581), Division Bench of this Court (of which one of us Justice PVRR-J was one of the member) also took the view that the claimants are entitled to additional compensation in the form of

equitable interest for the delayed payment of the amount and that additional amount was quantified at Rs. 5,00,000-00 calculating interest at 10% on the amount already paid as compensation.

11. In V. Samrajya Lakshmi and another v. Govinda Rao LAO and Dy. Director of Social Welfare, Guntur and another, (supra) the Division Bench of this Court also while dealing with a similar question granted interest at 4% towards the additional compensation for the late deposit of the compensation amount awarded. Taking the said judicial precedents as a guiding factor, and considering the fact that there was inordinate delay on the part of the State in depositing the amount towards interest as per the directions of this Court, we feel that interests of justice and equity will be met if an additional amount equivalent to interest at 12% per annum on the amount of Rs.9,85,442/-from 1-5-1992 to 22-7-1993 is granted to the appellants. Accordingly, we grant the same. We direct that this amount shall be paid by the respondents to the appellants herein within a period of 3 months from this day.

7. Since no justifiable reasons have been given before us for not paying the interest to the petitioner within the time allowed by the Division Bench of this Court, we allow this writ petition. The petitioner would be granted interest for the period 23.05.2014 to 31.12.2014 @ 8% within a period of four weeks. In case, the payment is not made within four weeks, the petitioner would further be entitled to interest till such time the payment is made.

8. The present petition is allowed with cost of Rs.5000/-.

G. S. SISTANI, J

SANGITA DHINGRA SEHGAL, J

APRIL 16, 2018/afa