

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

CR-931-2017 (O&M)

Date of Decision: September 19, 2023

**GURUDWARA SAHIB, SOHIANA VILLAGE
DHAULA, TEH. TAPA, DISTT. SANGRUR**

.....Petitioner

Versus

STATE OF PUNJAB AND ORS.

..... Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. A.S. Barnala, Advocate for the petitioner.

Mr. Athar Ahmed, DAG, Punjab.

Mr. Ankush Aggarwal, Advocate for respondent No.3.

HARKESH MANUJA, J. (ORAL)

By way of present revision petition, challenge has been laid to an order dated 04.10.2016 passed by the Executing Court-cum-Addl. District Judge, Barnala, whereby the claim made by the petitioner-landowner as regards the payment of interest on the delayed disbursement of the amount of compensation in pursuance to an award dated 31.05.2014 passed by the Lok Adalat, has been denied.

2. In brief, certain land owned by the petitioner, situated in the revenue estate of Village Dhaula, Tehsil Tapa, District Barnala came to be acquired by respondents No.1 and 2 for the benefit of respondent No.3, wherein award was passed under Section 11 of Land Acquisition Act, 1894 (hereinafter referred to as 1894 Act) on 17.02.2006 by the Collector. Being dissatisfied, the petitioner-landowner initiated the proceedings for seeking enhancement of compensation which were disposed of in Lok Adalat vide award dated 31.05.2014 with the following observations:-

“Thus, in the backdrop of aforesaid circumstances, the present land reference filed by the Gurudwara Sahib, Sohiana, stands accepted and award of Rs.82,32,366/- (Rs.47,98,407/- + Rs.75075/- + Rs.33,58,884/-) along with up to date interest accrued on the deposited amount, is passed in favour of the petitioner Gurudwara Sahib, Sohiana. enhanced amount is ordered to be deposited within 02 months from the date hereof. Thereafter said amount is ordered to be released in favour of the petitioner Gurudwara Sahib subject to furnishing of indemnity bonds to the tune of Rs.01 Crore so as to indemnify the better claimant, if any, comes in future. The file be consigned to the record room.”

3. As per the directions issued by the Lok Adalat, the petitioner-landowner was held entitled for release of the balance sum of Rs.33,58,884 in its favour with up to date interest besides direction that the same be deposited within two months from the date of order. In pursuance to the aforementioned award dated 31.05.2014, the amount of compensation i.e. Rs.33,58,884/- was deposited by respondent No.3 in favour of respondent No.2 on 29.07.2014 i.e. within the time specified, however, the same was disbursed in the favour of petitioner-landowner by respondent No.2 after some delay. On account of the said delay, the petitioner filed an execution application before the Reference Court seeking payment of interest against the respondents on the delayed disbursement of balance amount of compensation. The aforesaid prayer made by the petitioner got declined by the Executing Court vide order dated 04.10.2016 which has now been assailed by way of present revision petition.

4. Learned counsel for the petitioner submits that as per award dated 31.05.2014, the balance amount of compensation was to be released in favour of petitioner-landowner within a period of two months

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however, the same having been deposited by respondent No.3 with respondent No.2 within the afore-stated prescribed time, the same was released in favour of petitioner after considerable delay and thus making him entitled for payment of interest thereupon for the delayed period.

5. On the other hand, prayer made herein has been opposed by the learned State counsel while submitting that there was no direction for payment of interest under the award dated 31.05.2014, post its deposit by respondent No.3 with respondent No.2. It was further stated that the delay in disbursement of compensation was negligible, therefore no interest was payable.

6. I have heard learned counsel for the parties and gone through the paper-book as well as the impugned order.

7. A perusal of the impugned order shows that though the Executing Court recorded that there was delay of around four months in release of payment in favour of petitioner-landowner, however, it declined award of interest thereupon for the reason that the same occurred on account of procedural and official dealings. The aforesaid reasoning recorded by Executing Court has no legs to stand in law. Once, as per award dated 31.05.2014, the petitioner-landowner was held entitled for release of balance amount of compensation to the tune of Rs.33,58,884/-, within a period of two months, despite it having been deposited by respondent No.3 with respondent No.2 within the prescribed time period and the same having been utilized or kept by respondent No.2 with itself made entitled, the landowner-petitioner for

interest thereupon as envisaged under Section 34 of 1894 Act.

8. In view thereof, the impugned order dated 04.10.2016 passed by Executing Court is hereby set aside with a direction to decide the matter afresh as regards payment of interest in favour of petitioner-landowner for the delayed period, in terms of Section 34 of 1894 Act.

9. It is, however, made clear that the liability to pay interest on the delayed disbursement lies only upon respondent No.2 as the respondent No.3 discharged its liability in pursuance to the award dated 31.05.2014 within the stipulated period by depositing the amount within two months with respondent No.2.

10. Disposed of in the aforesaid terms.

11. Pending application(s), if any, shall also stand disposed of.

19.09.2023
tejwinder

(HARKESH MANUJA)
JUDGE

<i>Whether speaking/reasoned</i>	<i>Yes/No</i>
<i>Whether Reportable</i>	<i>Yes/No</i>

