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2026:PHHC:081503



IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-39172-2025

Date of Decision: May 22, 2026

OM PARKASH

.....Petitioner

Versus

STATE OF HARYANA AND OTHERS

.....Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Chanderhas Yadav, Advocate for the petitioner.

Mr. Abhinav Kalia, DAG, Haryana.

HARKESH MANUJA, J. (ORAL)

By way of present writ petition, the short prayer made on behalf of the petitioner/landowner is for release of statutory interest in his favour on account of delayed disbursal of the amount of compensation, besides award of annuity benefits to him in accordance with the award dated 04.07.2014 passed by the Land Acquisition Collector, Urban Estate Department, Rohtak, (for short 'the LAC').

2. Briefly stating, some land owned by the petitioner, situated within the revenue estate of Village Jhajjar, District Jhajjar was acquired vide notifications dated 07.07.2011 and 06.07.2012 issued under Sections 4 and 6 of the Land Acquisition Act, 1894 (for short 'the Act') respectively, for the public purpose namely, *for development of Institutional and partly Commercial, road widening and green belt of Sector 10, Jhajjar*. Award under Section 11 of the Act was announced on 04.07.2014, thereby determining the market value of the land besides awarding annuity scheme benefits @ Rs.21,000/- per acre per annum for a period of 33 years in accordance with the government gazette notification dated 09.11.2010. The relevant para 4 of the award is extracted hereunder:-

"4. MARKET VALUE:-

The Deputy Commissioner-cum-Collector, Jhajjar was requested to supply the market value of land under acquisition. The Deputy

Commissioner-cum-Collector, Jhajjar supplied the market value of the land under acquisition as per provisions of LARR Act-2013 vide his memo No. DRA/628-34 dt. 17.06.2014 as Rs. 30 Lacs per acre for all kinds of land and after that rate identify vide order dt. 01.07.2014 of the P.S.U.E 28,13,951/- per acre for all kinds of land. As per section 26(2) of LARR Act-2013, the awarded market value shall be multiplied by a factor to be specified in the first scheduled. But so far the govt. has notified the factor, as such after notification by the government, the difference of compensation is applicable, shall be awarded.

I have inspected the land under acquisition along with the revenue staff of my office before announcement of the Award. Keeping in view the location, situation and all other factors, I observe that the market value, i.e. 28,13,951/- per acre for all kinds of land, supplied by the P.S.U.E, Haryana are fair and adequate, and I award the same alongwith the Annuity Scheme of 21,000/- per acre per annum for a period of 33 years, published vide government gazette dated 9-11.2010 which will be increased by a fixed sum of Rs. 750/- per acre every year.”

3. In the award, the petitioner/landowner was also recorded to be entitled for the benefits of Land Pooling Scheme. Clause 8 of the Award in this regard is extracted hereunder:-

“8. LAND POOLING SCHEME:- The landowner(s) opting for the Land Pooling Scheme will be provided developed residential site in the form of residential plots measuring 1000 sq. yards and commercial site measuring 100 sq. yards against each one acre of land acquired in lieu of the compensation package and all the benefits admissible under the R & R Policy’ of the Government, at the time of first floatation of the residential sector for which land of the applicant has been acquired:

The landowner(s) would be eligible to participate in the Land Pooling Scheme only if a minimum of 1000 sq yards or more of his/their land is acquired. The details of the land pooling scheme are given in the Haryana Govt. Urban Estate Department notification dt. 10 Spt. 2012.”

4. Leaned counsel for the petitioner submits that in terms of the award dated 04.07.2014, the petitioner submitted application before the LAC for seeking benefit of Land Pooling Scheme and the same remained

pending consideration; whereas on the other hand, the possession of the acquired land was taken over by the respondents on the date of passing of the Award itself. He points out that compensation in terms of the aforementioned award was neither released in favour of the petitioner/landowner at the time of passing of the award nor even when the possession was taken over. Learned counsel contends that despite repeated reminders and requests, when no action was taken on the application submitted by the landowner against their claim towards the Land Pooling Scheme, the petitioner visited the respondents and was then informed that the Land Pooling Scheme benefit was not even applicable to the acquisition in hand as the same was for institutional and commercial purposes. He further points out that it was thereafter only the petitioner was released the compensation amount by the respondents on 06.10.2015 and thus there was delay in disbursal thereof on the part of respondents and the petitioner was thus entitled for award of statutory interest in terms of Section 34 of the Act. He also submits that earlier the petitioner was not paid the amount of compensation lying deposited with the LAC as his application for grant of benefits under Land Pooling Scheme was pending consideration with the respondents. Learned counsel also submits that the respondents even failed to award the annuity benefits to the petitioner/landowner in accordance with the award and thus the necessary directions in this regard need to be issued as well.

5. On the other hand, learned counsel appearing for the respondent State submits that the amount of compensation was lying deposited with the LAC and the petitioner never approached the authorities concerned for release thereof and thus, was not entitled to any statutory benefits of interest in this regard. Learned counsel also submits that in terms of the policy dated 09.11.2010 regarding Annuity Scheme, the landowner was required to make appropriate application within six months of the award and since no such application was made by him; he was not entitled for release of any benefit under the Annuity Scheme and therefore, the present writ petition filed at the instance of the petitioner deserves to be dismissed.

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

7. As per the record, the award under Section 11 of the Act was passed by the LAC on 04.07.2014. In the said Award, under the heading of market value, landowner was held entitled for grant of Annuity Scheme benefits @ Rs.21,000/- per acre per annum. Thus, the said annuity benefits were not only payable in terms of the policy dated 09.10.2011 but also formed an integral part of the award dated 04.07.2014 passed by the LAC in exercise of powers under Section 11 of the 1894 Act. In such circumstances, once the annuity benefits stood incorporated in the award itself, a statutory obligation was cast upon the respondents to release the same in favour of the landowner, without requiring them to submit any application in this regard.

8. Moreover, this issue with respect to the application by landowner for award of annuity benefits to be made within six months from the date of award of the LAC in terms of Notification/Policy dated 09.11.2010 issued by the Govt. of Haryana already stands adjudicated upon by this Court vide decision dated 20.12.2023 passed in **CWP No. 16737 of 2023**, titled **“Om Parkash and others Versus The State of Haryana and others”**, while recording that the period of six months specified under the aforesaid notification needs to be treated as directory in nature. Relevant paras-13 & 19 of the aforesaid decision dated 20.12.2023 are re-produced hereunder:-

[13] An examination of sub-clauses (i) to (iii) of Annuity Scheme, as specified under Clause-4, reveals that there is no exclusion clause in this policy and all the landowner, whose land has been acquired by the State are eligible for the benefits under this policy. In clause (vii), it has been stipulated that landowner would be required to submit the Annuity claim in the prescribed form (application form-2), alongwith the supporting documents, within a period of six months of the Award, though no consequences have been provided, in case a landowner fails to submit his application within 6 months and thus, any such condition, at best, has to be considered and treated as directory in nature.

[19] Thus, in the absence of any consequences being provided, if the application with regard to grant of annuity benefits is filed beyond a period of

six (06) months of the award; and specifically taking into consideration the fact that it is a beneficial policy implemented by the Government on account of being a welfare State, and the condition being merely related to a procedure, this condition cannot be considered as a mandatory condition. At best, if landowner applies for the benefits under this Scheme after a delay despite of being specifically informed in this regard, State could withhold the amount of annuity schemes pertaining to specific years only and not for the entire duration of 33 years.”

9. Furthermore, even the Hon'ble Division Bench of this Court vide decision dated 01.12.2016 passed in **CWP No. 3123 of 2016**, titled **“Jagdish Rai and others Versus State of Haryana and others”**, directed the respondents to grant annuity benefits in favour of the landowner despite their claim being rejected by the authorities on the ground that the applications were submitted beyond six months. The aforesaid decision dated 01.12.2016 being relevant is extracted hereunder:-

“ Petitioner are residents of villages Kanheli & Mania, Tehsil & District Rohtak. Their land was acquired vide Award dated 04.01.2011 for development of Sector 25 at Rohtak. As per R&R Policy of the State Government, they are entitled to be paid 'Annuity'. The instant writ petition has been filed alleging that for two years they were paid the 'Annuity amount' but thereafter it was stopped without assigning any reason. Land Acquisition Collector has filed the reply-affidavit taking a plea that payment of 'Annuity' was stopped as the petitioner did not allegedly submit the application form within six months.

We have heard learned counsel for the parties. The plea taken by the Land Acquisition Collector appears to be a lame excuse for his failure to release the 'Annuity' to which the petitioner are admittedly entitled to in lieu of acquired land. The application form, if any, ought to have been obtained by the Land Acquisition Collector in the very beginning.

Once the Authority started paying 'Annuity', there could possibly be no occasion for the petitioner to submit further applications. We, thus, dispose of this writ petition with a direction that the arrears of 'Annuity' be released to the petitioner alongwith interest @ 7% per annum within three months from the date of receipt of certified copy of this order. Hitherto also the 'Annuity' shall be paid to the petitioner uninterruptedly and in the event of any delay, they shall

be entitled to interest @7% per annum which shall be personally recoverable from the Officers/officials found responsible for such delay.

10. In view of the aforesaid position of law and the respondents having failed to discharge their statutory obligation towards the release of annuity benefits granted under the Award are directed to disburse the same in favour of the landowner/petitioner within two months from today without waiting for any application been made in this regard by the landowner.

11. Furthermore, the award in the present case was passed on 04.07.2014 and the possession of the acquired land was taken by the respondents on the same very date. However, the payment was released in favour of the petitioner only on 06.10.2015. Initially, the compensation was withheld to the petitioner as he had applied for the benefit under the Land Pooling Scheme in terms of the specific stipulation made in the award dated 04.07.2014 by the LAC. Significantly, in his cross examination, the LAC has himself admitted that despite the fact that certain landowners had applied under the said scheme, no record thereof was available on file. He further conceded that the scheme was subsequently rendered inapplicable to Sector 10, being partly commercial in nature, however, no intimation regarding such non-applicability was ever communicated to the landowner.

12. Apparently, on account of specific stipulation been made in the award dated 04.07.2014 by the LAC regarding extension of the benefit of land pooling to the landowner, the respondents misguided and misrepresented him by making him apply under the aforesaid scheme. Thereafter, the respondents kept the said applications pending for years together, neither taking any decision thereupon nor informing the landowner that the said policy had, in fact, been rendered inapplicable to the acquisition proceedings in question. In such circumstances, the delay in disbursement of compensation in favour of the landowner is purely attributable to the respondents and thus they are found obligated to pay interest to the landowner/petitioner from the date of award i.e. 04.07.2014 till the date of actual release of payment i.e. 06.10.2015, in accordance with Section 34 of the Act.

13. In view of the discussion made hereinabove, the present writ petition is allowed. Petitioner/landowner are held entitled for award of annuity benefits in terms of Notification/Policy dated 09.11.2010 issued by the Revenue and Disaster Management Department, Haryana Government. Further, the petitioner/landowner is also held entitled for release of statutory interest in his favour for the delay period i.e. from 04.07.2014 which is the date of taking over of possession of land till 06.10.2015 i.e. the date of disbursal of compensation.

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

22.05.2026

Tejwinder

(HARKESH MANUJA)
JUDGE

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