

**IN THE COURT OF SH. SHIV KUMAR: DISTRICT JUDGE-02,  
WEST DISTRICT :TIS HAZARI**

**Ex. Case No. 576/2022**

**CNR NO. DLWT01-011267-2022**

**Sh. Krishan Dewan @ Krishan Kumar**

**....DH**

**Versus**

**UOI & Anr.**

**...JDs**

**ORDER**

- 1) Vide this order, I shall decide the objections filed on behalf of JD no. 1 and shall also determine the remaining compensation amount of the DH, in the present execution.
- 2) In the present execution, the DH is claiming that some of his amount of originally awarded compensation is pending.
- 3) On 3.12.2025, ld. counsel for the DH gave statement that the DH has received the entire amount of enhanced compensation and at present only principal amount of awarded compensation amount of LAC, West i.e. Rs.

176501.25 is pending. He further stated that the DH is entitled for interest and other charges on the balance principal awarded amount of Rs. 176501.25. At present, the DH is claiming remaining amount of original awarded compensation alongwith interest and other charges on the said amount.

4) Objections has been filed on behalf of UOI/JD No. 1 on the ground that DH has failed to disclose true and correct facts before the court and it is averred that the DH has filed one execution petition in the year 2011 bearing execution petition No. 174/2011 for execution of order dated 15.07.2011 passed by the Hon'ble High Court of Delhi in L.A appeal No. 16 of 2007. It is further averred that the above said execution has been decided on merits and disposed of by passing a detailed order dated 06.03.2014. It is further averred that the DH has not filed the previous execution petition bearing no. 174/2011 and the order passed on 06.03.2014. It is further submitted that the cause of action for filing the present execution petition is similar to the cause of action to file the previous execution petition bearing no. 174/2011, order passed by the Hon'ble High Court of Delhi in L.A. appeal on 15.07.2011.

5) It is further averred that it is a matter of record that the amount payable to the DH was deposited by the JD in the court in the form of cheques in the name of the DH and this fact was admitted by the DH, however, it was submitted by

the DH that “certain amount is still payable by the LAC, West to them”. This plea of certain amount is taken by the DH in the present execution petition also. It is further averred that however, the DH has deliberately not filed the order dated 06.03.2014 as vide this order, the DH has admitted to take appropriate steps i.e. to move an appropriate application before the LAC (West).

6) It is further averred that it is clear from the order dated 06.03.2014 that it was the obligation of the DH to approach LAC (West) for release of amount, however the present execution petition is silent with respect to same. It is further averred that the DH has failed to disclose that whether he has approached the LAC (West) and whether he has filed any application before the LAC(West) in view of the order dated 06.03.2014.

7) It is further averred that as per order dated 06.03.2014, passed by this Hon’ble Court in previous execution petition bearing 174/2011 filed by the DH, the Dhs have received the complete/full compensation amount as per the satisfaction of the DHs. It is therefore prayed that in view of the above facts, the present execution petition may kindly be disposed off in view of order dated 06.03.2014 passed in previous execution petition bearing 174/2011 filed by the DH.

- 8) The DH has filed rejoinder to the objections filed by JD No. 1/UOI and denied the contents of the objections and averred that the facts to the extent of “ certain amount is still payable by the JD to the DH was taken by the DH in present execution petition by calculating balance amount which is true and correct. The DH has moved the present execution petition to which judgment debtor is liable to pay the same as per calculation. It is further averred that JDs want to linger on the litigation on one pretext and another and intention is not to pay the balance amount as per calculation.
- 9) It is further averred that DH is seeking his right despite acquisition of his ancestral property on very cheap rate and the same has been handed over by DDA to DSIIDC on very high rate and the DSIIDC has leased out the said land by realizing consideration of land. It is further averred that copy of contents of order dated 06.03.2014 and copy of affidavit in regard to compensation paid to the DH, filed by the JD are on court record.
- 10) As per case file, the objections of JD no. 4 are not on record, however, the DH has filed rejoinder to the objection filed by JD No. 4/Rural Development Department and contents of the same are denied by the DH and it is averred that since JD No. 4 is one of the parties in award and order passed by the Hon’ble High Court of Delhi, hence the JD No.

4 being representative of DSIIDC is also liable equal as JD No. 1, 2 & 3 for payment of enhanced compensation.

11) It is further averred that by the present execution petition, the D.H. is seeking execution of the decree based on the above-mentioned order/award dated 15.07.2011, 20.12.2011 and 20.12.2012, passed by the Hon'ble High Court of Delhi in LA appeal no. 16/2007.

12) The Civil Nazir of the Court has filed the calculation, which is reproduced as under:

Title of Case : Mahinder Singh Vs. UOI.

LAC No. 176/04 Ex. No. 577/22

|                        |           |
|------------------------|-----------|
| Date of Notification : | 12/8/1997 |
| Date of Award :        | 23/5/2000 |
| Date of Possession :   | 29/6/1998 |

#### Calculation of compensation Awarded by LAC

| Category                                   | Per Acre                                                          | Per Bigha     | Per Biswa | Per Sq. Yds. | Per Sq. Mts. |       |              |              |
|--------------------------------------------|-------------------------------------------------------------------|---------------|-----------|--------------|--------------|-------|--------------|--------------|
| A                                          | Rs0.00                                                            | Rs.208,333.33 | Rs0.00    | Rs0.00       | Rs0.00       | i.e.  | Rs208,333.33 | Per Bigha    |
| B                                          | Rs0.00                                                            | Rs177,083.33  | Rs0.00    | Rs0.00       | Rs0.00       | i.e.  | Rs177,083.33 | Per Bigha    |
| Land Category, Land Area and Share in Land |                                                                   |               |           |              |              |       |              |              |
| 1                                          | A                                                                 | Bigha         | 13        | Biswa        | 10           | Share | 1/4          | 703,124.99   |
|                                            | B                                                                 | Bigha         | 7         | Biswa        | 4            | Share | 1/4          | 318,749.99   |
| TOTAL                                      |                                                                   |               |           |              |              |       |              | 1,021,874.98 |
| 2                                          | 30% SOLATIUUM                                                     |               |           |              |              |       |              | 306,562.49   |
| 3                                          | 12% Additional Amount from DoN to DoA or DoP whichever is earlier |               |           |              |              |       |              |              |
|                                            | i.e. From                                                         | 12/8/1997     | to        | 29/6/1998    | i.e.         | 322   | Days         | 108,178.77   |
| 4                                          | Cost of Structure, if any                                         |               |           |              |              |       |              | -            |
| 5                                          | Total (1) to (4)                                                  |               |           |              |              |       |              | 1436616.24   |

|     |                                                                                |           |      |           |              |              |
|-----|--------------------------------------------------------------------------------|-----------|------|-----------|--------------|--------------|
| 6   | 9 % interest for one year from DoP                                             |           |      |           |              |              |
|     | i.e. From                                                                      | 29/6/1998 | to   | 28/6/1999 | 365 Days     | 129,295.46   |
| 7   | 15 % Interest from                                                             |           |      | 29/6/1999 | to 4/11/1999 |              |
|     | 128                                                                            |           | Days | =         | Rs.          | 75,569.95    |
| 8   | 6% Interest U/s 4(3) from 3 Years after DON to DOA or DOP whichever is earlier |           |      |           |              |              |
|     | i.e. from                                                                      | 0/1/1900  | to   | 0/1/1900  | 0 Days       | Rs0.00       |
| 9   | Tree ¼ share                                                                   |           |      |           |              | Rs.1,900.00  |
| 10  | <b>Total Amount to be paid by LAC (5 ) to (9)</b>                              |           |      |           |              | 1,643,381.66 |
| 11  | <b>Less : Amount already paid by LAC on 04-11-99</b>                           |           |      |           |              | 819,000.00   |
| 12  | <b>Balance comes to</b>                                                        |           |      |           |              | 824,382      |
| 13  | 15% further interest on from 05-11-99 to 15-6-2000=221 days on Rs.8,24,382.00  |           |      |           |              | 74,871.95    |
| 14  | <b>Total of 12 and 13</b>                                                      |           |      |           |              | 8,99,253.95  |
| 15  | <b>Less: Amount already paid by LAC on 14-06-2000</b>                          |           |      |           |              | 91,000       |
| 16. | <b>Balance amount to be paid by LAC on 14.06.2000.</b>                         |           |      |           |              | 8,08,253.95  |
|     |                                                                                |           |      |           |              | 664.31       |
| 17. | 15% further interest from 14-06-2000 to 15.06.2000= 2 days on Rs.8,08,253.95   |           |      |           |              |              |
|     | <b>Amount/Balance Amount to be paid by LAC</b>                                 |           |      |           |              |              |
| 18. | <b>Total of 16 and 17</b>                                                      |           |      |           |              | 808918.26    |
| 19. | <b>Less:Amount already paid by LAC on 16.06.2000</b>                           |           |      |           |              | 635749.00    |
| 20. | <b>Balance amount to be paid by LAC on 16.06.2000</b>                          |           |      |           |              | 173169.00    |
| 21. | 15% further interest from 16.06.2000 to 22.01.2026=9351 days on Rs. 173169.00  |           |      |           |              | 665467.11    |
|     | <b>Total amount to be paid by LAC West on 22.01.2026</b>                       |           |      |           |              | 838636.00    |

13) Ld. counsel for the UOI has argued that the previous execution petition filed by the DH has been decided on merit and disposed off by passing a detailed order dated 06.03.2014. Ld. counsel for the UOI has further argued that vide order dated 6.3.2014, ld. counsel for the DH had submitted that the Decree holder will move appropriate application before the LAC for releasing of balance amount but till date no such application has been filed on behalf of the DH. Ld. counsel for UOI further submitted that the previous execution of the DH has been disposed off as satisfied, so

now the DH has no legal right to file fresh execution petition. Ld. counsel for UOI further submits that in the present execution, the DH cannot claim recovery of amount of originally awarded compensation amount and execution petition only for the recovery of enhanced compensation amount can be filed.

- 14) I have perused the order sheet dated 6.3.2014, passed in execution petition bearing 174/11, titled Mahinder Singh Dewan Vs UOI & Ors. and the relevant paras of the said order are reproduced as under:

*“ Id. counsel for the DH submits that amount payable in this execution petition have been deposited by the JDs, however certain amount is still payable by the LAC, (West) to them.*

*ld. counsel for JD No. 1 & 2 submit that Dhs may move an appropriate application before the LAC ( West) for release of said amount.*

*Ld. counsel for Dhs submit that Dhs will take appropriate steps in this regard before the LAC ( West)*

*In view of the above, the present execution petition stands disposed off, as satisfied.”*

- 15) In the said order dated 6.3.2024, though it is written that the execution petition stands disposed off as satisfied but it is also mentioned that as per submission of ld. counsel for the DHs, certain amount of the DHs is still payable by the LAC ( West) to them and for the recovery of said amount, the

Ld. counsel for the Dhs had submitted that he will take appropriate steps in this regard before LAC ( West). Since certain amount of the DH was still pending at the time of disposing off the previous execution petition, it cannot be said that the execution petition of the DH stood fully satisfied.

16) DH has not filed copy of any application moved before the LAC (WEST) for payment of arrears of awarded compensation amount. DH has also not mentioned in his execution petition regarding moving any such application before LAC, West.

17) Section 31 of Land Acquisition Act states as under:

*31. Payment of compensation or deposit of same in Court- (1) On making an award under section 11, the Collector shall tender payment of the compensation awarded by him to the persons interested entitled thereto according to the award, and shall pay it to them unless prevented by some one or more of the contingencies mentioned in the next sub-section.*

*(2) If they shall not consent to receive it, or if there be no person competent to alienate the land, or if there be any dispute as to the title to receive the compensation or as to the apportionment of it, the Collector shall deposit the amount of the compensation in the Court to which a reference under section 18 would be submitted:*



18) I have perused judgement titled “ Chander Mal Etc. Etc Vs Union of India and Ors, 2006 SCC Online DEL 644 and the relevant paras of the said judgement are reproduced as under:

*13. The bare reading of the provisions of Sections 28 and 34 of the Act shows that the pre-requisite for application of the former is determination of compensation by the Collector which if found to be inadequate by the court, then the court would direct the Collector to pay interest on such excess amount at the prescribed rate. While in the latter, the only ingredient is non-payment or non-deposit of the compensation on or before taking possession of the land which ECHO is on. would accrue the liability of payment of interest at the prescribed rates. In a case where the Government may take possession of the acquired lands by invoking the provisions of Section 17 of the Act even before making of an award and does not tender or pay the requisite compensation, the liability to pay interest at the rate of 9% or 15%, as the case may be, from the date of possession would accrue in favor of the claimants and against the Government. The provisions of Section 34 of the Act, thus, have a wider application than the provisions of Section 28 of the Act which, in any case, are complimentary to each other. The purpose of both the Sections is to provide benefit to the claimants once the possession of the land has been taken whether an award has been made or not. But where the possession has been taken in accordance with the provisions of the Act, the claim for interest under Section 34 is ex-lege in contradistinction to ex contractu or ex-more. The liability to pay interest arises wherever the possession is taken by the authorities and compensation payable in accordance with the provisions of the Act has not been paid or deposited. The legislative intent of enforcing this liability against the authorities where even an award has been made, is clear from the fact that on the enhanced amount given by the court, the authorities would still be liable to pay interest at the prescribed rate if the possession of the land has been taken. Thus, pronouncement of award as*

contemplated under Section 11 forms no exception to the liability created by the Statute.

14. The liability to pay interest, is on the amount of such compensation i.e. the compensation determined, again within the limitations of the Act. Compensation is an aggregate amount of compensation including solarium. The authorities have to pay the interest and incur the liability on both these elements under Section 23 (2), 26, 28 or 34 of the Act, as the case may be. This aspect has been finally settled by a Constitutional Bench of the Supreme Court in the case of *Sunder v. Union of India*.

**16. The provisions of Section 34 of the Act clearly contemplate responsibility of the State to pay the prescribed rate of interest directly relatable to the time taken i.e. from the time the possession of the acquired lands is taken till the payment. The authorities could avoid this liability by paying the compensation to the claimants or even depositing the same in court. There can be no excuse on the part of the respondents in not depositing the amount in the court of competent jurisdiction. The authorities can hardly be heard to argue that the claimants did not come forward to take their payments of compensation and the authorities also did not deposit the same as per the scheme of the Act. Retention of money by the Land and Building Department or the beneficiary for whose benefit the land was acquired would be no compliance to the provisions of the Act. The liability is absolute in terms and does not admit any ambiguity or created exceptions by the respondents because of their own default. The possession may be taken even prior to making of the award but in accordance with the provisions of the Act and in that event the claimants would be entitled to interest on the amount of compensation which is not paid or deposited on or before taking the possession. The interest has to be calculated from the date of taking of possession of the land by the Collector until the amount is paid or deposited.**

*It is not expected of the authorities or the various departments of the government to act with such callousness. The decision-making process in*

*the government machinery should not only be fair, bonafide and transparent but should also be expedient, particularly when any delay in implementation of such decisions (i.e. payment of compensation to the claimants) would cause a very heavy liability, which if taken on its cumulative effect may run into crores and crores of rupees. This liability can easily be avoided by payment of the awarded compensation to the claimants and/or by depositing the same in court, without prejudice to the rights and contentions of the parties including that of the department itself. We are unable to find any reason, much less a plausible explanation for this heavy liability created by non-payment of the compensation to the claimants for a period of more than 5 years and in our opinion the public exchequer is unnecessarily being burdened with this huge liability of payment of interest under Section 34 of the Act. This liability could easily be avoided and the public funds diverted for more appropriate use in the larger public interest. Admittedly, we are the largest democracy in the world with dense population and larger part of our population is below the poverty line. In considerable parts of our country including the capital of the country, people do not get water to drink, food to eat and shelter over their heads. The above narrated facts clearly demonstrate that the state of affairs prevalent in the State administration to say the least exhibit travesty of fairness in State actions. It is wastage of public funds resulting from inaction and callous attitude of the officers/officials of the Government. We do express that this judgment would evoke authorities concerned to examine various exhibits as indicated in the judgment and direct its various wings to work in the right direction and public interest.*

- 19) As per section 31 of Land Acquisition Act as well as as per abovesaid judgement of Hon'ble High Court of Delhi, after making an award under section 11, the Collector is duty bound to make the payment of awarded compensation amount to the interested persons, according to the award and if any of

the interested person is not accepting the compensation amount or there is no person competent to alienate the acquired land or if there is dispute as to title to receive the compensation amount or to the appropriation of it then Collector is duty bound to deposit the compensation amount in the court to which reference u/s 18 has been submitted. As per section 31 of Land Acquisition Act as well as as per abovesaid judgement of Hon'ble High Court of Delhi, the interested persons are not required to approach the Collector for receiving the awarded compensation amount. The interested persons are also not required to file application before the Collector for the payment of awarded compensation amount.

20) Ld counsel for the DH has argued that the DH is entitled for interest under Section 34 of Land Acquisition Act, only on the amount of compensation determined by the LAC, West under Section 23 (1) of LA Act. He further argued that the DH is not entitled for any interest on the amount of solatium.

21) Vide judgement dated 20.09.2006, Sh. Mandiratta then Ld Additional District Judge, Delhi has granted the following reliefs to the petitioner, who is decree holder in the present case:

a. Value of the acquired land @ Rs  
1043397/- per acre or Rs.217374/- per bigha

for land falling in Block A and Rs. 893397/- per acre or Rs.186123.38P. per Bigha for land falling in Block B.

b. The petitioner/DH is also be entitled to 30% solatium on the market value of the land fixed by trial court.

c. The petitioner/DH is also be entitled to additional amount of 12% on the market value fixed under Section 23 (1A) of the Act from the date of notification u/s 4 of the Act to the date of dispossession or award whichever is earlier.

d. The petitioner/DH is also be entitled to interest on the market value of the land fixed by the court u/s 28 of the Act at 9% per annum from the date of award or dispossession whichever is earlier till the expiry of one year and thereafter at 15% per annum till payment.

e. The petitioner/DH is also be entitled to interest on solatium and additional amount in terms of judgement Hon'ble Apex court titled "Sunder Vs UOI" DLT 2001 SC 569.

22) The decree holder has filed the appeal against the judgement of Ld Trial Court for enhancement of the compensation amount. Vide decree dated 15.07.2011, Hon'ble High Court of Delhi enhanced the market value of the lands falling in Block A as Rs. 1252264.30p per acre and for lands falling in Block B as Rs. 1061899.50p per acre.

23) **I have perused the judgement titled "Sunder Vs UOI, AIR, 2001, Supreme Court, 3516 and relevant paras of the said judgement are reproduced as under:**

*"In deciding the question as to what amount would bear interest under Section 34 of the Act a peep into Section 31 (1) of the Act would be advantageous. That sub-section says: "On making an award under section 11, the Collector shall tender payment of the compensation awarded by him to the persons interested entitled thereto according to the award, and shall pay it to them unless prevented by some one or more of the contingencies mentioned in the next sub- section." The remaining sub-sections in that provision only deal with the contingencies in which the Collector has to deposit the amount instead of paying it to the party concerned. It is the legal obligation of the Collector to pay "the compensation awarded by him" to the party entitled thereto. We make it clear that the compensation awarded would include not only the total sum arrived at as per sub- section (1) of Section 23 but the remaining sub-sections thereof as well. It is thus clear from Section 34 that the expression "awarded amount" would mean the amount of compensation worked out in accordance with the provisions contained in Section 23, including all the sub-sections thereof.*

*The proviso to Section 34 of the Act makes the position further clear. The proviso says that "if such compensation" is not paid within one year from the date of taking possession of the land, interest shall stand escalated to 15% per annum from the date of expiry of the said period of one year "on the amount of compensation or part thereof which has not been paid or*

*deposited before the date of such expiry". It is inconceivable that the solatium amount would attract only the escalated rate of interest from the expiry of one year and that there would be no interest on solatium during the preceding period. What the legislature intended was to make the aggregate amount under Section 23 of the Act to reach the hands of the person as and when the award is passed, at any rate as soon as he is deprived of the possession of his land. Any delay in making payment of the said sum should enable the party to have interest on the said sum until he receives the payment. Splitting up the compensation into different components for the purpose of payment of interest under Section 34 was not in the contemplation of the legislature when that section was framed or enacted.*

24) Ld counsel for the JD no. 1 has also filed calculation and submitting that no amount of the DH is pending in the present execution. In the calculation filed on behalf of the JD no. 1, Ld counsel for JD no. 1 has calculated the interest amount without adding additional amount and solatium and moreover, interest period mentioned in the calculation is also not correct.

25) In view of the abovesaid judgement of Hon'ble Supreme Court of India, there is no force in the contention of Ld counsel for UOI that DH is not entitled to receive interest on the amount of solatium. As per abovesaid judgement of Hon'ble Supreme Court of India, the DH is entitled to receive interest on the amount of compensation determined under Section 23 (1), 12% additional amount determined under Section 23 (1A) and amount of solatium determined under Section 23 (2) of L.A. Act. Moreover, interest upon

solatium and additional amount has also been granted by Ld. Trial court in its judgement to the DH.

26) Section 34 of Land Acquisition Act reads as under:

*“Payment of interest- When the amount of such compensation is not paid or deposited on or before taking possession of the land, the Collector shall pay the amount awarded with interest thereon at the rate of [nine per centum] per annum from the time of so taking possession until it shall have been so paid or deposited”:*

*“Provided that if such compensation or any part thereof is not paid or deposited within a period of one year from the date on which possession is taken, interest at the rate of fifteen per centum per annum shall be payable from the date of expiry of the said period of one year on the amount of compensation or part thereof which has not been paid or deposited before the date of such expiry”.*

27) As per section 34 of Land Acquisition Act, 1894, if the compensation amount is neither paid nor deposited in the court, the Collector is liable to pay interest @ 9% p.a. for the first year and thereafter @ 15% p.a., on the compensation amount, from the date of taking possession of acquired land till payment or deposit in court.

28) In a case titled Gurpreet Singh Vs Union of India, civil appeals No.4570 of 2006, decided on 19, 2006, the Hon’ble Supreme Court of India has held as under;



23. Let us now consider the scheme of the Land Acquisition Act, 1894 as amended by the Land Acquisition (Amendment) Act 68 of 1984. After the publication of the preliminary notification under Section 4 of the Act and after hearing of objections, a declaration has to be made under Section 6 of the Act. The Collector is then to take the order for acquisition from the Appropriate Government or the officer authorized in that behalf by the Government. After completing the formalities contemplated and the enquiry made in terms of Section 11 of the Act, the Collector has to make an award indicating the true area of the land, the compensation which in his opinion should be allowed for the land and the apportionment of the compensation among the persons known or believed to be interested in the land. In making the award, the Collector shall be guided by Sections 23 and 24 dealing with matters to be considered in determining the compensation and matters to be excluded in determining the compensation as enjoined by Section 15 of the Act. Under Section 12 of the Act, the award becomes final as between the Collector and the persons interested and the Collector is to give notice of his award to persons interested. On making the award, the Collector may take possession of the land in terms of Section 16 of the Act. Under Section 31, on making an award under Section 11, the Collector shall tender payment of the compensation awarded by him to the persons interested entitled thereto according to the award, and shall pay it to them unless prevented by the contingencies referred to in Section 31 itself. Under Section 34 of the Act, when the amount of compensation awarded is not paid or deposited on or before taking possession of the land, the Collector shall pay the amount awarded with interest thereon at the rate of nine per cent per annum from the time of taking possession till it shall have been paid or deposited. But if the compensation or any part thereof is not paid within a period of one year from the date on which possession is taken, interest is payable at the rate of fifteen per cent per annum from the date of expiry of the said period of one year on the amount of compensation or part thereof which has not been paid or deposited before the date of such expiry. It is relevant to notice that on payment of the amounts thus due, the award made by the Collector stands satisfied.

25. In the scheme of the Act, it is seen that the award of compensation is at different stages. The first stage occurs when the award is passed. Obviously, the award takes in all

*the amounts contemplated by Section 23(1) of the Act, Section 23(1A) of the Act, Section 23(2) of the Act and the interest contemplated by Section 34 of the Act. The whole of that amount is paid or deposited by the Collector in terms of Section 31 of the Act. At this stage, no shortfall in deposit is contemplated, since the Collector has to pay or deposit the amount awarded by him. If a shortfall is pointed out, it may have to be made up at that stage and the principle of appropriation may apply, though it is difficult to contemplate a partial deposit at that stage. On the deposit by the Collector under Section 31 of the Act, the first stage comes to an end subject to the right of the claimant to notice of the deposit and withdrawal or acceptance of the amount with or without protest.*

*29. Can a claimant or decree holder who has received the entire amount awarded by the reference court or who had notice of the deposit of the entire amount so awarded, claim interest on the amount he has already received merely because the appellate court has enhanced the compensation and has made payable additional compensation? We have already referred to Order XXI and Order XXIV of the Code to point out that such a blanket re-opening of the transaction is not warranted even in respect of a money decree. Section 28 of the Act indicates that the award of interest is confined to the excess compensation awarded and it is to be paid from the date of dispossession. This is in consonance with the position that a fresh re-appropriation is not contemplated or warranted by the scheme of the Act. But if there is any shortfall at any stage, the claimant or decree holder can seek to apply the rule of appropriation in respect of that amount, first towards interest and costs and then towards the principal, unless the decree otherwise directs.*

*30. In Sunder Vs. Union of India [2001 Suppl. (3) S.C.R. 176], this Court posed the question, what is meant by "the compensation" awarded. The Court concluded, "We make it clear that the compensation awarded would include not only the total sum arrived at as per sub- Section (1) of Section 23 but the remaining sub-Sections thereof as well.*

*37. Section 34 of the Act fastens liability on the Collector to pay interest on the amount of compensation determined under Section 23(1) with interest from the date of taking possession till date of payment or deposit into the court to which reference under Section 18 would be made. On*

*determination of the excess amount of compensation, Section 28 empowers the court, if it was enhancing the compensation awarded by the Collector, to award interest on the sum in excess of what the Collector had awarded as compensation. The award of the court may also direct the Collector to pay interest on such excess or part thereof from the date on which he took possession of the land to the date of payment of such excess into court at the rates specified thereunder. The Court Stated:*

*"In other words, Sections 34 and 28 fasten the liability on the State to pay interest on the amount of compensation or on excess compensation under Section 28 from the date of the award and decree but the liability to pay interest on the excess amount of compensation determined by the Court relates back to the date of taking possession of the land to the date of the payment of such excess into the court."*

*The Court concluded:*

*38. "It is clear from the scheme of the Act and the express language used in Sections 23(1) and (2), 34 and 28 and now Section 23(1A) of the Act that each component is a distinct and separate one. When compensation is determined under Section 23(1), its quantification, though made at different levels, the liability to pay interest thereon arises from the date on which the quantification was so made but, as stated earlier, it relates back to the date of taking possession of the land till the date of deposit of interest on such excess compensation into the court. The liability to pay interest is only on the excess amount of compensation determined under Section 23(1) and not on the amount already determined by the Land Acquisition Officer under Section 11 and paid to the party or deposited into the Court or determined under Section 26 or Section 54 and deposited into the court or on solatium under Section 23(2) and additional amount under Section 23(1-A)."*

*43. Thus, on the whole, we are satisfied that the essential ratio in the Prem Nath Kapur (supra) on appropriation being at different stages is justified though if at a particular stage there is a shortfall, the awardee decree holder would be entitled to appropriate the same on the general principle of appropriation, first towards interest, then towards costs and then towards the principal, unless, of course, the deposit is indicated to be towards specified heads by the judgment debtor while making the deposit intimating the decree-holder of his intention. We, thus, approve the ratio*

of Prem Nath Kapur (supra) on the aspect of appropriation.

29) In a case titled State of M.P And Another V. Baje Singh, decided on 16.09.2020, the Hon'ble Madhya Pradesh High Court has held as under:

*20. According to the aforesaid verdict of the Apex Court, there are four stages for assessment of compensation and its disbursement by way of appropriation. The first stage comes after the passing of the award by the LAO; the second stage comes after the award passed by the Reference Court; the third stage comes after the Order passed by the High Court in the first appeal and the fourth stage comes after the order passed by the Apex Court subject to any enactment in market price of the acquired land. According to the Hon'ble Apex Court, at the first stage, after passing of the award passed by the LAO, which takes care of all the amounts contemplated by Section 23(1), 23(1A), 23(2) and interest u/s. 34 of the LA Act the Collector is liable to deposit the whole of the amount u/s. 31 of the LA Act and at this stage, there can't be any shortfall in deposit of amount and the first stage comes to an end. This assessment of compensation is not liable to be reopened or disturbed even after enhancement or reassessment of market price by the Reference Court or High Court or Supreme Court of India.*

*21. Thereafter second stage occurs after passing of the order passed by the Reference Court subject to the enhancement the amount of compensation by taking note of the amount payable u/s. 23(1), 23(1A), and 23(2) and the interest on the enhanced amount as provided in Section 28 and cost in terms of Section 27. The Collector has to deposit the aforesaid amount and in case of shortfall in deposit of the amount, the appropriation comes into play.*

*22. The third stage comes after further enhancement of compensation by the High Court if any and the enhanced amount would bear interest u/s. 28 of the LA Act and the enhanced amount so calculated will have to be deposited in addition to the amount awarded by the Reference Court. The fourth stage comes when the apex Court enhances the amount of compensation. In the present case, the fourth stage did not arise.*

*23. In Para 30 of the judgment rendered in the case of Gurpreet Singh (supra), the Apex Court has held that the claimant who has received the amount calculated and deposited by the Collector after the award passed by the LAO and thereafter re-opening of the transaction is not warranted after enhancement by the Reference Court as well as by the High Court. Therefore, fresh re-appropriation is not contemplated or warranted by the scheme of the Act and if there is any shortfall at any stage, the claimant/decreed-holder can seek to apply the rule of appropriation in respect of that amount, first towards interest and costs and then towards the principal, unless the decree otherwise directs. Therefore, the amount awarded by the LAO and paid by the Collector is not liable to be re-opened. That amount is liable to be calculated separately and liable to be deposited by the Collector and, if any shortfall comes, then the amount so deposited by the Collector is liable to be appropriated from that additional amount of compensation so calculated.*

*25. In the present case, in the execution proceedings, the respondents/landowners have calculated the compensation afresh based on the market rate of land fixed by the Division Bench of this Court and including Section 23(1A) and 23(2) of the LA Act and thereafter appropriated the deducted amount already received by them (i.e. first stage). Now calculating the interest on the difference of the amount.*

30) From the facts of case, it is established that the Collector was liable to pay compensation amount of Rs.14,36,616.24(inclusive 30% Solatium and 12% Additional amount) to the DH and possession of acquired land has been taken by the Collector on 29.06.1998.

31) As per status report, signed on 02.12.2025, filed by the LAC, West following payments have been made to the DH regarding the originally awarded compensation amount by the LAC, West.

1. cheque no. 773535 dated 04.11.1999 for  
an amount of Rs. 8,19,000/-

2. cheque no. 774270 dated 14.06.2000 for  
an amount of Rs. 91,000/-.

3. cheque no. 774278 dated 16.06.2000 for  
an amount of Rs. 6,25,025.93/-.

32) As per abovesaid status report, the LAC, west has paid  
total amount of Rs. 15,35,025.93/- from the originally  
awarded compensation amount.

33) The judgement of Ld. Trial court has been merged in  
the judgement of Hon'ble High Court of Delhi. The Hon'ble  
High Court of Delhi has re-determined the market value of  
the acquired land and the DH is entitled to receive entire  
market value of the acquired land. The JD cannot take  
objection that the DH is not entitled to receive the amount of  
compensation determined by LAC, West in the present  
execution and the DH can file execution only for recovery of  
enhanced amount of compensation. This contention raised by  
the Ld. counsel for the Judgment Debtor that the execution  
petition cannot be filed for recovery of the balance originally  
awarded compensation amount is wholly misconceived. By  
advancing this submissions, the Ld. counsel for the Judgment  
Debtor seeks to suggest that if the Land Acquisition Collector

fails to make payment of the originally awarded compensation amount, the DH would be left remediless and would not be entitled to approach the court for recovery of the balance originally awarded compensation amount. Such contention is untenable in law and stands rejected.

34) The State is a welfare state and cannot shirk from its statutory obligation to make payment of the compensation amount, lawfully due to the DH.

35) The Hon'ble Supreme Court of India, in a case titled "Gurpreet Singh Vs UOI" (Supra) has held that the first stage occurs when the award is passed and the award takes in all the amounts contemplated by Section 23(1) of the Act, Section 23(1A) of the Act, Section 23(2) of the Act and the interest contemplated by Section 34 of the Act. It is further held by the Hon'ble Supreme Court of India that the whole of compensation amount inclusive additional amount and solatium has to be paid or deposited by the Collector in terms of Section 31 of the Act and at that stage there can be no shortfall in paying or in depositing the compensation amount and if any shortfall is pointed out then the said shortfall have to be paid or deposited by the collector. It is further held that at the first stage, it is difficult to contemplate a partial deposit. As per abovesaid judgement of the Hon'ble Supreme Court of India, it is the duty of the collector to pay or deposit entire compensation amount inclusive additional amount, solatium

and interest under Section 31 of the Act and there can be no shortfall from the said amount. In view of the abovesaid judgement of the Hon'ble Supreme Court of India, if there is any shortfall in the said compensation amount, in terms of Section 31 of the Act, then the Collector is duty bound to pay or deposit the said deficient compensation amount.

36) In the present case, the awarded compensation amount of the first stage has been unpaid since 16.06.2000. Despite the filing of previous execution petition in the year 2011, wherein it was specifically disclosed that some of the amount of the original awarded compensation amount was still pending, the LAC, West has remained completely lethargic and has failed to take any effective steps to release the due compensation amount to DH or to deposit the same in the court.

37) Union of India cannot refuse to make balance payment of the originally awarded compensation amount to the DH, on the ground that no application for release of the amount has been filed by the DH. As per section 31 of the Land Acquisition Act as well as judgement of Hon'ble High Court of Delhi given in a case titled "Chandermal Etc Vs. UOI & Ors" (Supra), the Collector is duty-bound to tender and pay the remaining awarded compensation amount to the DH without any requirement of filing a separate application by the DH.



- 38) In view of Section 34 of the Act, the DH is entitled to interest at the rate of 9% per annum for the first year from the date of taking possession and thereafter at the rate of 15% per annum, on the balance of originally awarded compensation amount.
- 39) Owing to the gross negligence and inaction of the LAC, ( West), the State is liable to pay interest at the rate of 15% per annum of the last 25 years, on the unpaid originally awarded compensation amount. In the objections filed by the JD no. 1, no plea has been taken that the earlier amount was paid for appropriation firstly towards principal awarded compensation amount and thereafter towards interest.
- 40) As per abovesaid judgments of Hon'ble Supreme Court of India, the DH is entitled to appropriate the amount received from the LAC, West, firstly, towards interest amount and thereafter towards principal awarded compensation amount.
- 41) The Civil Nazir of this court has filed his report regarding the balance originally awarded compensation amount of decree holder, which is mentioned in para no. 12 of the present order and this report is the correct report. As per abovesaid report of Civil Nazir, the amount of Rs. 8,38,636 /- of the DH from the originally awarded compensation amount is still pending against the Jds.

42) In view of foregoing facts and discussions, it is held that the decree holder is entitled to receive balance originally awarded compensation amount of Rs. 8,38,636/- as on 22.01.2026. Accordingly, the objections of JD no. 1 stands disposed off.

**Announced in the open court  
on 28.01.2026.**

**(SHIV KUMAR)  
DJ-02 (W)THC:Delhi**