CNR No:PHHC011661172023
2026:PHHC:104165

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CR-7758-2023
Reserved on: 20.07.2026
Pronounced on: 29.07.2026

Land Acquisition Collector-cum-Sub-Divisional Magistrate, Moonak and another **…Petitioners**

Versus

Amanpreet Singh and others **…Respondents**

With

Sr. No.	Case No.	Petitioner(s)	Respondent(s)
2.	CR-111-2026	Mahinder Alias Mahinder Singh and others	State of Punjab and others
3.	CR-134-2026	Rangi Ram through his LRs	State of Punjab and another
4.	CR-280-2026	Gulab Singh and others	State of Punjab and others
5.	CR-5079-2026	Sat Pal	State of Punjab
6.	CR-5092-2026	Chajju Ram (since deceased) through his LRs and others	State of Punjab
7.	CR-5095-2025	Ranbir Singh and another	State of Punjab and others
8.	CR-7639-2025	Ram Phal and others	State of Punjab
9.	CR-7838-2025	Lehri Singh @ Lehari Singh and others	State of Punjab and another
10.	CR-8732-2025	Suba Singh and others	State of Punjab
11.	CR-8903-2025	Hawa Singh and others	State of Punjab
12.	CR-7847-2025	Phool Singh	State of Punjab
13.	CR-84-2026	Gobinder Singh Alias Gurbinder Singh Alias Mehnga Singh and others	State of Punjab
14.	CR-8865-2025	Chander Singh	State of Punjab
15.	CR-8867-2025	Rameshwar (since deceased) through his LR and others	State of Punjab
16.	CR-8869-2025	Chandi Ram and another	State of Punjab
17.	CR-8870-2025	Suman Rani	State of Punjab
18.	CR-8892-2025	Dalel Singh and others	State of Punjab and another
19.	CR-8942-2025	Pritam Singh through his LRs and others	State of Punjab
20.	CR-8960-2025	Mange Ram and others	State of Punjab
21.	CR-8943-2025	Joginder Singh and another	State of Punjab
22.	CR-8955-2025	Mamu Ram and others	State of Punjab
23.	CR-9285-2025	Gurmit Singh Alias Gurmeet Singh and others	State of Punjab and another
24.	CR-9301-2025	Raj Kaur (since deceased) through her LRs and others	State of Punjab
25.	CR-9580-2025	Tek Singh and others	State of Punjab and another
26.	CR-9594-2025	Lakhvir Singh and others	State of Punjab and another
27.	CR-9617-2025	Kaka Singh	State of Punjab and another
28.	CR-9619-2025	Jia Lal Alias Jiya Lal and another	State of Punjab
29.	CR-9624-2025	Mohinder Kaur	State of Punjab and another
30.	CR-9626-2025	Parkash Kaur	State of Punjab and another

MOHIT KUMAR
2026.07.29 14:58
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Sr. No.	Case No.	Petitioner(s)	Respondent(s)
31.	CR-9870-2025	Brahma Nand (since deceased) through his LRs and others	State of Punjab
32.	CR-9873-2025	Leela Singh @ Jit Singh	State of Punjab and another
33.	CR-9875-2025	Krishan @ Kishan	State of Punjab and another
34.	CR-9880-2025	Karnail Singh (since deceased) through his LRs	State of Punjab and another
35.	CR-9886-2025	Sadhu Ram @ Sadhu Singh	State of Punjab
36.	CR-9921-2025	Bhala Ram @ Bhale Ram (since deceased) through his LRs and others	State of Punjab
37.	CR-1094-2026	Malla Ram (since deceased) through his LRs	State of Punjab and another
38.	CR-1096-2026	Ram Chander and others	State of Punjab and others
39.	CR-1097-2026	Wazir Singh @ Vajir Singh	State of Punjab
40.	CR-1098-2026	Tarlok Singh and others	State of Punjab and others
41.	CR-1130-2026	Jaswant Singh and another	State of Punjab and others
42.	CR-1999-2026	Gurdeep Singh and another	State of Punjab
43.	CR-2723-2026	Sunehari Devi Alias Sunehari and others	State of Punjab
44.	CR-2698-2026	Darshan Singh and others	State of Punjab
45.	CR-2699-2026	Jaipal and others	State of Punjab
46.	CR-1148-2026	Malkiat Singh @ Malkit Singh and others	State of Punjab
47.	CR-1181-2026	Raghbir Singh (since deceased) through his LRs and others	State of Punjab and another
48.	CR-1559-2026	Chatar Bhan (since deceased) through his LRs and others	State of Punjab and others
49.	CR-2014-2026	Ajit Kaur through her LRs	State of Punjab
50.	CR-7362-2025	Ram Chander and others	State of Punjab
51.	CR-2783-2026	Buta Singh through his LRs and others	State of Punjab
52.	CR-3737-2026	Nirmala Devi through her LRs and others	State of Punjab and others
53.	CR-3856-2026	Mewa Singh and others	State of Punjab and another
54.	CR-4228-2026	Roshani Alias Roshni Devi and others	State of Punjab and others
55.	CR-5421-2026	Dhanna Singh @ Dhan Singh and another	State of Punjab and another
56.	CR-5460-2026	Mohan Pal alias Mohan Pal Singh and another	State of Punjab and another
57.	CR-6020-2025	Geeta Ram and others	State of Punjab
58.	CR-3347-2026	Suba Singh and others	State of Punjab
59.	CR-3426-2026	Jehro and others	State of Punjab
60.	CR-4806-2026	Jogi @ Jogi Khan and others	State of Punjab and another
61.	CR-4816-2026	Mangat Singh and others	State of Punjab
62.	CR-4821-2026	Raghubir @ Raghvir Singh and others	State of Punjab and others
63.	CR-4834-2026	Gurcharan Singh and others	State of Punjab and others
64.	CR-4835-2026	Ratni @ Ratni Devi and others	State of Punjab
65.	CR-4836-2026	Munshi Singh (deceased) through LRs and others	State of Punjab and others
66.	CR-4837-2026	Ramdia (deceased) through LRs	State of Punjab

MOHIT KUMAR
2026.07.29 14:58
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Sr. No.	Case No.	Petitioner(s)	Respondent(s)
67.	CR-4838-2026	Santokh Singh and others	State of Punjab and others
68.	CR-4844-2026	Veer Kaur	State of Punjab and another
69.	CR-4851-2026	Piara Singh (deceased) through LRs and others	State of Punjab and others
70.	CR-4870-2026	Major Singh and others	State of Punjab and others
71.	CR-4878-2026	Inder Singh (deceased) through LRs and others	State of Punjab and another
72.	CR-5172-2026	Som Dutt and others	State of Punjab and another
73.	CR-3804-2026	Ramdhari and others	State of Punjab
74.	CR-3806-2026	Bhagwant Singh and others	State of Punjab
75.	CR-3828-2026	Joga Singh and others	State of Punjab
76.	CR-3969-2026	Karnail Singh	State of Punjab
77.	CR-4126-2026	Jagjit Singh alias Jagjeet Singh and others	State of Punjab and another
78.	CR-4297-2026	Baldev Ram alias Baldeva Singh (deceased) through LRs	State of Punjab and others
79.	CR-4323-2026	Joginder Singh (deceased) through LRs and others	State of Punjab and others
80.	CR-5218-2026	Saroopa and another	State of Punjab
81.	CR-5342-2026	Baljeet Singh (deceased) through LRs	State of Punjab
82.	CR-5362-2026	Phool Kumar and others	State of Punjab and another
83.	CR-5364-2026	Dara Ram (deceased) through LRs and another	State of Punjab and others
84.	CR-5390-2026	Major Singh and others	State of Punjab and others
85.	CR-4101-2026	Santu (Deceased) through LRS	State of Punjab and others

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: - Mr. Gunjan Mehta, Additional Advocate General, Punjab and
Mr. Puru Jarewal, Deputy Advocate General, Punjab

Mr. Lalit Singla, Advocate and
Ms. Varsha Sharma, Advocate for the petitioners
(in CR-3347-2026, CR-4806-2026, CR-5172-2026, CR-5218-2026,CR-3737-2026,CR-3426-2026, CR-4101-2026)

Mr. Manish Kumar Singla, Advocate and
Mr. Parminder Singla, Advocate and
Mr. Dinesh Kumar, Advocate, for the petitioners
(in CR-7362-2025)

Mr. Karan Singla, Advocate, and
Mr. Malvi Aggarwal, Advocate, for the petitioners
(in CR-7639-2025, CR-7838-2025, CR-7847-2025, CR-8732-2025, CR-8865-2025,CR-8867-2025, CR-8869-2025, CR-8870-2025, CR-8892-2025, CR-8903-2025, CR-8942-2025, CR-8943-2025, CR-8955-2025, CR-8960-2025, CR-9285-2025, CR-9301-2025, CR-9580-2025, CR-9594-2025, CR-9617-2025, CR-9619-2025, CR-9624-2025, CR-9626-2025, CR-9870-2025, CR-9873-2025, CR-9875-2025, CR-9880-2025, CR-9886-2025, CR-9921-2025, CR-84-2026, CR-111-2026, CR-134-2026, CR-280-2026, CR-1094-2026, CR-1096-2026, CR-1097-2026, CR-1098-2026, CR-1130-2026, CR-1148-2026, CR-1181-2026, CR-1559-2026, CR-1999-2026,

MOHIT KUMAR
2026.07.29 14:58
I attest to the accuracy and
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CR-2014-2026, CR-2698-2026, CR-2699-2026, CR-2723-2026, CR-2783-2026, CR-3856-2026, CR-4228-2026, CR-5421-2026, CR-5460-2026, CR-4816-2026, CR-4821-2026, CR-4834-2026, CR-4835-2026, CR-4836-2026, CR-4837-2026, CR-4838-2026, CR-4844-2026, CR-4851-2026,CR-4870-2026, CR-4878-2026, CR-3806-2026, CR-3828-2026, CR-3804-2026, CR-3969-2026, CR-4126-2026, CR-4297-2026, CR-4323-2026, CR-5364-2026, CR-5390-2026)

Mr. Karan Nehra, Advocate and
Mr. Abhay Josan, Advocate for petitioners
in CR-5079-2025, CR-5092-2025, CR-5095-2025, CR-6020-2025, CR-5342-2026, CR-5362-2026, CR-5207-2026) and for respondents in CR-7758-2023
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JAGMOHAN BANSAL, J.

1. As common issues are involved in the captioned petitions, with the consent of both sides, the same are hereby disposed of by this common order. For the sake of brevity and convenience, facts are borrowed from *CR No.7758 of 2023*.

2. The petitioner-State through instant petition under Article 227 of the Constitution of India is seeking setting aside of order dated 21.12.2017 and 08.11.2023 whereby learned Additional District Judge, Sangrur acting as Executing Court has directed State to pay interest on arrears of compensation contrary to mandate of Land Acquisition Act, 1894 (for short '**1894 Act**').

3. The State of Punjab vide notification dated 20.11.2006 issued under Section 4 of 1894 Act expressed its intention to acquire land falling within Districts Sangrur and Patiala. The said notification was followed by notification dated 29.04.2007 issued under Section 6. The Land Acquisition Collector passed award dated 12.04.2008. Landowners/respondents challenged aforesaid award and learned Additional District Judge, Sangrur exercising powers conferred by Section 18 of 1894 Act dismissed landowners' reference petition. The landowners preferred appeals before this

MOHIT KUMAR
2026.07.29 14:58
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Court which came to be adjudicated vide judgment dated 27.01.2016 passed in ***RFA No.3367 of 2011***, ***Sadhu Ram*** **v.** ***State of Punjab***. This Court enhanced market value of land from ₹5,95,000/- to ₹15,95,000/- per acre. Relevant extracts of order dated 27.01.2016 read as: -

> *"Considering the peculiar facts and circumstances of the cases noted above, coupled with the reasons aforementioned, this Court is of the considered view that all these appeals deserve to be partly allowed and the same are hereby allowed to the extent indicated above. The land owners of all the abovesaid nine villages namely Shahpur Nau Abad Their, Andana, Mandvi, Chandu, Makror Sahib, Nawangaun, Jaswantpur @ Hotipur, Baupur and Banarsi are held entitled to receive the compensation at the uniform rate of Rs.15,95,600/- per acre for their acquired land, from the date of notification under Section 4 of the Act.*
>
> *Similarly, the land owners of village Khanouri are held entitled to receive the compensation for their acquired land at the uniform rate of Rs.21,00,000/- per acre, from the date of notification under Section 4 of the Act. Besides this, the land owners of all the abovesaid 10 villages shall also be entitled for all other statutory benefits available to them, under the relevant provisions of the Act.*
>
> *Resultantly, with the observations made above, all the abovesaid 110 appeals stand disposed of, in the abovesaid terms, however, with no order as to costs."*

4. The State, as usual, did not make payment which compelled the landowners to prefer execution petition. Matter came up before learned Additional District Judge, Sangrur who vide order dated 21.12.2017 made calculation of compensation payable under different heads. The calculation and observations made by Executing Court read as:

> *"9. In compliance of the order of Hon'ble High Court it is held that decree holders are to be granted the amount of compensation alongwith statutory reliefs as detailed below:-*
>
> *i) Rs.4,61,538/-amount of compensation already paid*

MOHIT KUMAR
2026.07.29 14:58
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ii) Rs. 15,95,600/- enhanced amount of compensation by Hon'ble High Court vide order dated 27.1.2016

iii) Rs.11,34,062/-, amount of compensation payable to the decree holders.

iv) Rs.1,87,120/-, additional amount at the rate of 12% per annum w.e.f 20.11.2006 to 12.4.2008 (date of notification under section 4 of the Act date of award and delivery of possession)

v) Rs.3,40,218/-, amount of solatium at the rate of 30 percent on compensation amount.

vi) Rs.16,61,400/- (Total amount of compensation of Rs.11,34,062/- plus Rs.1,87,120/- plus Rs.3,40.218/-.

vii) Rs.1,49,526/- interest at the rate of 9% per annum from 12.4.2008 to 11.4.2009 (from the date of award/taking of possession to one year.

viii) Rs.18,10,926/- (total amount after adding the interest amount of Rs.1,49,526/- in Rs.16,61,400/-)

ix) Rs.21,39,156/- interest at the rate of 15% per annum w.e.f. 11.4.2009 to 27.2.2017 (date on which some payment was made to decree holders by the Jds).

x) Rs.39,50,082/- total amount of compensation per acre.

10. Thus, decree holders are entitled to get the compensation inclusive of statutory benefits at the rate of Rs.39,50,082/- per acre for the acquired land subject to the deduction/adjustment of the amount already paid to them in the court on 27.2.2017 or otherwise. After deducting the amount already paid by the Jds, the decree holders will also be entitled to the interest at the rate of 15% per annum on the remaining amount till the payment of the total amount of compensation to them.

11. Accordingly in the light of my discussion above, it is held that decree holders are entitled to the amount of compensation at the rate of Rs.39,50,082/- per acre for the acquired land, to be calculated and paid by JDs. However, Jds will be entitled to adjust /deduct the amount already paid to the

MOHIT KUMAR
2026.07.29 14:58
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decree holder on 27.2.2017. It is pertinent to mention here that above mentioned amounts of compensation, solatium and interest were calculated in the presence and with the assistance of learned Government pleader and other officials of the Land Acquisition Collector, Moonak. The decree holders will also be entitled to the interest at the rate of 15% per annum on remaining amount till the payment of total amount to the Jds. On this point I am supported by the ratio of the authority State of Punjab Versus Amarjit Singh and another 2011 AIR SC (Civil) 1587.

12. Accordingly objections raised by the Jds stands disposed of. The Jds are directed to make the payment of all the outstanding arrears of compensation and interest on or before 31.1.2018 failing which the Jds will have the liberty to recover the amount of interest after 31.1.2018 on compensation from the concerned person/ official, who failed to make the payment to the decree holders as per the order of this Court. Land Acquisition Collector is also directed not to release the amount of interest or solatium denied by the Hon'ble High Court to any particular decree holder/land owner, in any of the petition/ petitions filed by him/ them, if the said order is not brought to the notice of this court during the proceeding of the present case."

5. As per aforesaid order, the State was supposed to clear outstanding arrears of compensation and interest on or before 31.01.2018. The State failed to make aforesaid payment by aforesaid date, however, made partial payment on 03.10.2018 and further partial payment on 31.05.2019. The State did not make complete payment as per landowners, thus, they pressed their execution application and Executing Court ordered to attach property of the State. At this stage, the State filed an application dated 24.01.2023 objecting calculation made by the Executing Court. The State primarily pleaded that interest cannot be calculated on interest. Executing Court vide order dated 08.11.2023 rejected State's objection on the ground that earlier

MOHIT KUMAR
2026.07.29 14:58
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calculation was made in the presence of Government Pleader & the officials of Land Acquisition Collector, Moonak and if there is anomaly in the calculation it could be pointed out then and there. If there was any such error or irregularity in order dated 21.12.2017, the judgment debtor could have challenged the same before the competent authority instead of filing second objection/application after the expiry of more than 5 years.

6. Learned State counsel submits that interest @ 9% per annum was calculated for the period from 12.04.2008 to 11.04.2009. The said interest was calculated for the period from the date of award to date of possession. The Executing Court included said interest in the principal amount while calculating interest @ 15% per annum for the subsequent period. Interest could not be included in the principal amount while calculating interest for the subsequent period. On account of enhancement of compensation by this Court, a sum of ₹16,61,400/- accrued under 3 different headings i.e. market value plus addition @ 12% under Section 23(1A) and 30% solatium under Section 23(2). There was no specific direction *qua* interest under Section 28 in the order passed by this Court still Executing Court calculated interest under aforesaid Section which was not objected by the State and even at this stage, it is not objected. The Executing Court calculated total liability to the tune of ₹39,50,082/-. The correct amount was ₹38,09,336/-.

Learned State counsel further submits that respondent-landowners have formed an opinion that interest became part of compensation after 31.01.2018. The interest has to be calculated as per Section 28 and cannot be calculated in any other manner. The interest payable is simple and not compounded. The manner in which respondents are calculating, it would become compounded rate of interest.

MOHIT KUMAR
2026.07.29 14:58
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7. *Per contra*, learned counsel for the landowners/respondents submit that landowners also agree that correct amount payable as on 21.12.2017 was ₹38,09,336/- instead of ₹39,50,082/- as calculated in order dated 21.12.2017. The State was bound to make payment by 31.01.2018. There are two sets of cases. In few cases, execution application was kept pending after 21.12.2017 whereas in few cases it was disposed of and the landowners were at liberty to file afresh in case of non-payment of their dues. The Executing Court directed State to make payment by 31.01.2018. The State did not make payment by 31.01.2018, thus, interest became part of outstanding dues and State became liable to pay interest on outstanding dues which included interest. The State by withholding landowners' money deprived them from their Right of Property as guaranteed by Article 300A of the Constitution of India. The State filed second objection application on 24.01.2023 i.e. after the expiry of 5 years from the date of order dated 21.12.2017 passed by Executing Court. Hon'ble Supreme Court in ***Dipali Biswas and others*** **v.** ***Nirmalendu Mukherjee and others, 2021 SCC OnLine SC 869*** and this Court vide order dated 23.12.2009 in ***Civil Revision No.3986 of 2008, Subhash Chander*** **v.** ***M/s Rare Tyres Traders and others*** have clearly held that second objection petition is not maintainable. If the calculation is accepted, it becomes payable and cannot be disputed by way of subsequent applications. In few cases, learned Executing Court has accepted applications filed under Section 152 of Code of Civil Procedure, 1908 (for short '**CPC**'). Scope of Section 152 CPC is very limited. The Court can correct clerical or arithmetic mistakes, however, cannot redetermine rights and liabilities. The Court by orders impugned by landowners has wrongly and beyond its jurisdiction carried out alleged correction. There was no mistake

MOHIT KUMAR
2026.07.29 14:58
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warranting interference. The Executing Court could not make any amendment in order dated 21.12.2017. The State was supposed to challenge the said order which it miserably failed.

8. Heard the arguments and perused the record.

9. From the pleadings and arguments of both sides, following questions arise for the consideration of this Court:

i. Whether landowners in terms of order dated 21.12.2017 are entitled to interest on interest?

ii. Whether interest became part of compensation after 21.12.2017?

iii. Whether Executing Court can entertain second objection application?

iv. Whether Executing Court could entertain application under Section 152 of CPC?

Question No.1: Whether landowners in terms of order dated 21.12.2017 are entitled to interest on interest?

10. Before dwelling into questions involved, it would be appropriate to have bird's eye view of statutory provisions dealing with interest. Section 28 & 34 of 1894 Act provide for interest on delayed payment of compensation. Section 34 provides for interest where compensation is not paid at the time of taking possession. Section 28 provides for interest on compensation enhanced by Court. Sections 28 & 34 read as:

> *"28. Collector may be directed to pay interest on excess compensation. - If the sum, which the Collector did award as compensation, the award of the Court may direct that the collector shall pay interest on such excess at the rate of nine*

MOHIT KUMAR
2026.07.29 14:58
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> *per centum per annum from the date on which he took possession of the land to the date of payment of such excess into Court:*
>
> *Provided that the award of the Court may also direct that where such excess or any part thereof is paid into Court after the date or expiry of 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 such excess or part thereof which has not been paid into Court before the date of such expiry.*
>
> *34. 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 or 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."*

11. From the perusal of Sections 28 & 34, it is evident that fundamental difference between Sections 28 & 34 is that interest provided under Section 34 is statutory and mandatory whereas interest provided under Section 28 is statutory, however, Court has discretion to award on enhanced amount of compensation. Courts and authorities have no discretion while granting interest under Section 34 of 1894 Act because it is statutory and mandatory. It is in a way automatic. The moment land is acquired and possession is taken away, Collector becomes liable to pay interest on the assessed compensation. However, as per Section 28, Court has discretion to

MOHIT KUMAR
2026.07.29 14:58
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grant interest on enhanced amount of compensation. The Court may or may not grant interest on enhanced amount of compensation. It is not a mandatory provision. Hon'ble Supreme Court in ***Maj. Gen. Kapil Mehra and others.*** **v.** ***Union of India & another., 2015(2) RCR(Civil) 4*** in Para 45 has clearly held that award of interest under Section 28 is a discretionary power vested in the Court and it must be exercised in a judicious manner and not arbitrarily. Para 45 reads as:

> *"45. Award of interest under Section 34 is mandatory in as much the word used in the Section is shall'. The scheme of the Act and the express provisions thereof establish that the interest payable under Section 34 is statutory. The claim for interest under Section 28 of the Act proceeds on the basis that due compensation not having been paid, the claimant should be allowed interest on the enhanced compensation amount. The award of interest under Section 28 is discretionary power vested in the Court and it has to be exercised in a judicious manner and not arbitrarily. The use of the word "may" in Section 28 does not confer any arbitrary discretion on the Court to disallow interest for no valid or proper reasons. Normally, Court awards interest if it enhances the compensation in excess of the amount awarded by the Collector, unless there are exceptional circumstances."*

11.1 Interest under Section 34 is payable on compensation determined by Collector whereas interest under Section 28 is payable on enhanced amount of compensation. It is payable where Court finds that compensation determined by it is more than determined by Collector and interest should be awarded.

12. In the case in hand, there is no dispute with respect to liability of interest under Section 34. In the order dated 27.01.2016 passed by this Court, the landowners were held entitled to all statutory benefits. There was no

MOHIT KUMAR
2026.07.29 14:58
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specific direction to pay interest under Section 28. The State is not disputing its liability *qua* interest under Section 28, thus, no further deliberation is required. The State is just claiming that interest cannot be calculated on interest. The respondent is claiming that interest calculated upto 21.12.2017 became part of compensation, thus, interest was payable on total of compensation determined by this Court and interest accrued upto 21.12.2017.

13. From the perusal of Section 28, it is evident that interest is not compound but simple. Proviso to Section 28 clearly provides that interest @ 15% per annum is payable after the expiry of one year from the date of taking possession. A five Judge Bench of Hon'ble Supreme Court in ***Gurpreet Singh* v. *Union of India, Law Finder Doc Id #138543*** has adverted to question of interest. The Court has held that payment made by State shall first be adjusted against interest, however, it would be adjusted against principal where it is indicated by judgment debtor that deposit is towards specified heads. The Court has held:

> *"53. 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."*

14. Learned counsel for landowners pleaded that State while making deposit before the Executing Court did not express its intention that payment be adjusted against principal, thus, as per aforesaid judgment, payment made

MOHIT KUMAR
2026.07.29 14:58
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by State was firstly required to be adjusted against interest and thereafter principal. Learned State counsel has failed to dispute aforesaid statement, thus, it is presumed that payment made by State was required to be set-off against interest and balance, if any, against principal.

15. From the perusal of Sections 28 as well as 34, it is evident that simple interest @15% per annum is payable. No interest on interest is payable though payment is firstly required to be adjusted against interest. As per judgment of Supreme Court in ***Gurpreet Singh (supra)***, the judgment debtor may express its intention to adjust payment towards principal instead of interest. In the absence of such expression, payment is firstly adjusted against interest. The 1894 Act provides rate of interest and the date from which it would start. It does not provide that interest would be payable on interest. It clearly provides that interest would be payable on compensation.

16. Now the stage has reached to apply aforesaid legal position to the present case. This Court enhanced market value of the acquired land from ₹4,61,538/- to ₹15,95,600/- per acre. The compensation assessed by Collector was paid well within time. The State was supposed to pay compensation enhanced by this Court. The enhanced amount of compensation was ₹11,34,062/-. The State was liable to pay addition @ 12% per annum as per Section 23(1A). The State was further liable to pay solatium @ 30% of the market value. Addition under Section 23(1A) came to ₹1,87,120/- and solatium came to ₹3,40,218/-. The total enhanced amount of compensation came to ₹16,61,400/-. The State, as per Section 28, was liable to pay interest @ 9% p.a. for the period from 12.04.2008 to 11.04.2009 which came to ₹1,49,526/-. The State further as per proviso to Section 28 was liable to pay interest @ 15% p.a. from 12.04.2009 to 21.12.2017. In the impugned order

MOHIT KUMAR
2026.07.29 14:58
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dated 21.12.2017, there is mistake in calculating interest payable under proviso to Section 28. As conceded by both sides, correct figure of interest payable under proviso to Section 28 as on 21.12.2017 was ₹19,68,146/- and in the impugned order, it is wrongly calculated as ₹21,39,156/-. The State on 21.12.2017 made payment of ₹11,34,000/-. The said amount was required to be set-off against interest. It was concededly adjusted against interest. Undisputedly, the amount outstanding on 21.12.2017 as per correct calculation was ₹38,09,336/-. As per landowners, payment of ₹11,34,000/- was required to be deducted from ₹38,09,336/- and balance amount i.e. ₹26,75,336/- (38,09,336 - 11,34,000) became compensation i.e. principal attracting interest in future.

17. Contention of landowners that interest became part of principal as soon as Executing Court passed impugned order dated 21.12.2017 is misconceived and cannot be countenanced. The Executing Court has no right to hold that henceforth interest would become part of compensation. Liability of interest is governed by statutory provisions and leaving aside Executing Court, even this Court has no right to award interest beyond the statutory provisions. It is settled law that interest is compensatory in nature and in the absence of statutory provisions, the Courts may grant interest, however, where period and rate of interest is prescribed by statute, the Courts do not possess power to award interest beyond the statutory provisions unless and until statutory provisions are declared invalid. It would be contrary to statutory provisions if it is held that interest became part of principal the moment Executing Court passed impugned order on 21.12.2017. Executing Court cannot travel beyond the decree leaving aside statutory provisions. This Court is not oblivious that public money is involved. State is not carrying out

MOHIT KUMAR
2026.07.29 14:58
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business and making profit by retaining compensation. The landowners have already received interest more than twice the principal. None can be permitted to take advantage of any mistake of the Court or any public servant. Parties must claim interest as per legal provisions.

18. There is another aspect of the matter. The landowners are misreading order dated 21.12.2017 passed by the Executing Court. The Executing Court disposed of objections raised by judgment debtors and directed to pay outstanding arrears of compensation and interest on or before 31.01.2018. It was further held that judgment debtors will have liberty to recover the amount of interest on compensation from the concerned official who failed to make the payment to the decree holders. The aforesaid order does not hold that outstanding interest would become part of principal i.e. compensation rather it relies upon judgment of Supreme Court in ***State of Punjab*** **v.** ***Amarjeet Singh and another, 2011 AIR SC (Civil) 1587***. As per said judgment, addition under Section 23(1A) is payable on the market value and cannot be calculated on solatium. ***Amerjeet Singh (supra)*** further notices judgment of Supreme Court in ***Gurpreet Singh (supra)*** with respect to adjustment of payment towards interest and principal. By relying upon judgment of Supreme Court in ***Amarjeet Singh (supra)***, the Executing Court has held that payment firstly would be adjusted against interest. The Court by granting liberty to State to recover interest, from erring officers, payable on compensation after 31.01.2018 has made it clear that interest is payable on compensation i.e. principal amount. Compensation always comprises three components i.e. market value, addition under Section 23(1A) and solatium under Section 23(2). Interest is not part of compensation.

MOHIT KUMAR
2026.07.29 14:58
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Question No.2: Whether interest became part of compensation after 21.12.2017?

19. In the wake of findings returned *qua* Question No.1, interest which accrued upto 21.12.2017 did not become part of principal. Interest was flowing in a compartment other than principal. There was no question to include interest in the principal.

Question No.3: Whether Executing Court can entertain second objection application?

20. The landowners have pleaded that Executing Court could not entertain second objection application. In the petition filed by State, the second objection application was dismissed and in petitions filed by landowners, second objection application was entertained. The landowners have cited judgment of Supreme Court in ***Dipali Biswas (supra)*** and of this Court in ***Subhash Chander (supra)*** to plead that second objection application was not maintainable. The State had only remedy to challenge order passed by Executing Court. The State after the expiry of more than five years filed second objection application. It was rightly dismissed in one case and wrongly allowed in other cases.

The landowners in view of above-cited judgments are right in claiming that second objection application was not maintainable. The Executing Court could not entertain second objection application. The State was bound to challenge order passed by Executing Court instead of filing second objection application. It is apt to notice that State though little late yet has filed petition before this Court assailing order passed by Executing Court, thus, State has complied with requirement to assail order of Executing Court instead of filing second objection application.

MOHIT KUMAR
2026.07.29 14:58
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21. The landowners are claiming that State filed second objection application which was rejected in one case and allowed in other cases. As per landowners, it was second objection application whereas from the contents of application and orders passed by Executing Court it can be culled out that application was in the nature of prayer seeking correction of arithmetical error.

Question No.4: Whether Executing Court could entertain application under Section 152 of CPC?

22. Section 152 of CPC provides that clerical or arithmetical mistakes in judgment, decree or order or error arising therein from any accidental slip or omission may at any time be corrected by the Court. Section 152 reads as:

> *"152. Amendment of judgments, decrees or orders.- Clerical or arithmetical mistakes in judgments, decrees or orders or errors arising therein from any accidental slip or omission may at any time be corrected by the Court either of its own motion or on the application of any of the parties."*

A conspectus of above-quoted Section reveals that any clerical or arithmetical mistake or error arising from any accidental slip or omission may be corrected at any point of time. Power to be exercised under Section 152 is not like power of review. Intent of aforesaid Section is to correct mistakes so that any party to litigation may not avail undue benefit on account of clerical or arithmetical mistake. Learned counsel for the landowners have pleaded that Executing Court could not correct alleged mistake because it amounted to entertaining second objection application. As held hereinabove, second objection application cannot be entertained, however, clerical or arithmetical mistake or error from any accidental slip or omission is bound to be corrected. The landowners themselves have pleaded that Executing Court

MOHIT KUMAR
2026.07.29 14:58
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cannot travel beyond the decree. In the case in hand, decree/award did not provide that interest calculated under Section 34 would be included in the compensation while calculating future interest under proviso to aforesaid Section. The Executing Court by mistake included interest in compensation while calculating interest under proviso to Section 34. It was nothing more than arithmetical mistake on the part of Executing Court. Said mistake was required to be corrected. As held in answer to Question No.1, the interest was not ordered to be included in the principal amount for the purpose of calculating interest beyond 21.12.2017. Neither this Court while adjudicating appeals nor Reference Court while deciding reference petitions ordered to include interest in the principal amount for the purpose of calculation of interest beyond a particular date, thus, inclusion of interest in the principal amount was patently wrong and beyond the decree. It was more an error on the part of Executing Court than conscious decision.

23. In the wake of above discussion and findings, the questions raised hereinabove are answered as below:

i. The landowners on the basis of order dated 21.12.2017 passed by Executing Court are not entitled to interest on interest.

ii. Interest did not become part of compensation after 21.12.2017.

iii. The Executing Court cannot entertain second objection application, however, application under Section 152 CPC seeking correction of clerical or arithmetical mistakes or error is maintainable.

MOHIT KUMAR
2026.07.29 14:58
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iv. The Executing Court was within its jurisdiction to entertain application under Section 152 CPC to correct arithmetical mistake.

24. In the backdrop, petition filed by the State is allowed and petitions filed by landowners are hereby dismissed.

(JAGMOHAN BANSAL)
JUDGE

29.07.2026
Mohit Kumar

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No

Date of uploading:29.07.2026

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2026.07.29 14:58
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