GAHC030003362026

THE GAUHATI HIGH COURT
(HIGH COURT OF ASSAM, NAGALAND, MIZORAM AND ARUNACHAL PRADESH)

Case No. : WP(C)/56/2026

The Northeast Frontier Railway
R/b the General Manager, N.F. Railway,
Maligaon, Guwahati

2: The Deputy Chief Engineer (Con)
N.F. Railway
Aizawl
Mizoram

VERSUS

The State of Mizoram
R/b the Secretary to the Govt. of Mizoram,
Land Revenue and Settlement Department,
Aizawl, Mizoram - 796001

2:The District Collector
Kolasib District
Kolasib
Mizoram – 796081

3:Smt. K. Thansangzuali
D/o K. Thanpara
R/o Bairabi – 796081

4:Sh. F. Thanmawia
S/o Rokhuma (L)
R/o Bairabi - 796081

5:Sh. K. Thanpara
S/o K. Thanhawla (L)
R/o Bairabi – 796081

6:Smt. Lalhmangaihi
D/o K. Lalrinliana
R/o Bairabi – 796081

7:Sh. K. Lalbeiseia
S/o K. Lalrinliana
R/o Bairabi – 796081

8:Sh. K. Zorammuana
S/o K. Lalrinliana
R/o Bairabi – 796081

9:Smt. C. Lalmalsawmi
C/o Lalnghakliana
R/o Bairabi - 796081

BEFORE
HONOURABLE MR. JUSTICE MRIDUL KUMAR KALITA

For the Petitioners : Mr. S. K. Medhi, learned CGC

For the Respondents : Mrs. Vanneihsiami, Govt. Advocate
(for respondent Nos. 1 and 2)

: Mr. Lalchhanliana Khiangte, Advocate
(for respondent Nos. 3 to 9)

Date of Hearing : **17.11.2026**

Date of Judgment : **27.11.2026**

JUDGMENT & ORDER

1. Heard Mr. S. K. Medhi, the learned CGC for the petitioners. Also heard Mr. Lalchhanliana Khiangte, the learned counsel for respondent Nos. 3 to 9, as well as Ms. Vanneihsiami, the learned Government Advocate appearing for respondent Nos. 1 and 2.

2. This writ petition under Article 226 of the Constitution of India has been filed by the petitioners, namely, Northeast Frontier Railway and one another, praying for issuance of writ in the nature of mandamus/certiorari and/or any other appropriate writ, order or direction of like nature. The petitioners are aggrieved by the order dated 01.07.2022, passed by the District Collector, Kolasib as well as the assessment letter dated 19.07.2022 whereby the petitioners were asked to pay interest under Section 34 of the Land Acquisition Act, 1894 to the private respondent Nos. 3 to 9.

3. The facts relevant for consideration of the instant writ petition, in brief, are that the private respondents' land were acquired by the District Collector, Kolasib on the request of Northeast Frontier Railway (present petitioners) by invoking the provisions of the Land Acquisition Act, 1894 for development of railway line from Bairabi to Sairang village in Kolasib district of Mizoram.

4. It is contended by the petitioners that the Land Award No. 1 of 2012 (Part-A, Bairabi) was passed by District Collector, Kolasib wherein compensation was given only for the crops and not for the land, and the said award was approved by the Government of Mizoram on 24.02.2014. The petitioners claim that the Railways paid an amount of Rs.7,21,02,422/- against

Part-A Bairabi on 06.07.2012. The said amount was paid by the Railways before taking possession of the acquired land.

5. Thereafter, the private respondent Nos. 3 to 10 submitted an application under Section 28A of the Land Acquisition Act, 1894 before the District Collector, Kolasib for re-determination of land compensation. The said case was registered as LA Case No. 3/2019. The District Collector, by his order dated 07.08.2019, passed in LA Case No. 3/2019, awarded compensation to the respondent Nos. 3 to 10 at the rate of Rs.125/- per square feet and also interest under Section 28 of the Land Acquisition Act, 1894. The said assessment was communicated by the District Collector, Kolasib by his letter dated 22.08.2019. The petitioners claim that the Railways made payment of the said compensation on 02.10.2021.

6. Thereafter, the private respondent Nos. 3 to 9 again filed an application before the District Collector, Kolasib praying for grant of statutory interest under Section 34 of the Land Acquisition Act, 1894 to them. Accordingly, by his order dated 01.07.2022, the District Collector, Kolasib awarded the statutory interest under Section 34 of the Land Acquisition Act, 1894 to the respondent Nos. 3 to 9. Thereafter, on 19.07.2022, the District Collector sent the assessment letter regarding the interest payable by the present petitioners under Section 34 of the Land Acquisition Act, 1894 to the private respondent Nos. 3 to 9.

7. Mr. S. K. Medhi, the learned Central Government Counsel submits that the petitioners are not liable to pay interest under Section 34 of the Land Acquisition Act, 1894 in as much as said interest is payable on the original compensation amount determined by the Collector under Section 11 of the Land

Acquisition Act. He submits that in the instant case, the Railways even prior to taking possession had deposited the compensation as determined by the Land Award No. 1 of 2012 (Part-A, Bairabi).

8. In the writ petition, the writ petitioners have contended that the landowners are entitled to statutory interest under Section 34 of the Land Acquisition Act, 1894 only from the date of passing of order by the District Collector, Kolasib on their application under Section 28A of the Land Acquisition Act, i.e., from 07.08.2019 to the date of subsequent payment made by the Railways, i.e., 02.10.2021. The learned counsel for the petitioners submitted that the District Collector, Kolasib has wrongly calculated the amount of statutory interest under Section 34 of the Land Acquisition Act, 1894 which is to be paid to the private respondents. He submits that the condition precedent for attracting the liability to pay interest under Section 34 of the Land Acquisition Act, 1894 is non-payment or non-deposit of the amount of compensation for the land acquired on or before taking possession of the land.

9. The learned counsel for the petitioners submits that the delay caused in approaching this Court by filing the instant writ petition by the writ petitioners was neither deliberate nor intentional, but occurred due to *bona fide* administrative and official circumstances. He submits that during the period from 2022 to 2023, there were frequent transfers of the railway officials posted in the office of the Deputy Chief Engineer (Construction), Bairabi for administrative reasons. He submits that the officials dealing with the court cases were also transferred from time to time, which affected the timely processing and follow-up of pending legal matters.

10. He submits that since the Bairabi–Sairang railway project is a

national project of critical importance, the entire manpower which was available was deployed towards completion of the project before the targeted date of completion. He submits that the office of the Deputy Chief Engineer (Construction), Bairabi was subsequently merged with the office of the Deputy Chief Engineer, (Construction), Kanpuii on 31.05.2024, and there were very few staffs for attending various other official work including the pending legal matters. As such, the circumstances contributed to delay in filing the instant writ petition. He submits that the project was finally inaugurated by the Prime Minister of India on 13.09.2025. He submits that the delay which was occasioned in the instant case was not because of any mala fide on the part of the petitioners, but for administrative and project-related circumstances which were beyond the control of the petitioners.

11. Mr. S. K. Medhi, the learned Central Government Counsel, submits that he was engaged by Railways to challenge the impugned order/letter on 09.10.2025 only, and thereafter, from 24.12.2025, winter vacation of the Principal Seat of the Gauhati High Court started. Thereafter, for collection of certain documents and for vetting of the writ petition, some time was consumed and ultimately, it was filed on 01.04.2026. As such, he submits that there is no delay, laches, or acquiescence on the part of the present petitioners in approaching this Court after more than four years of the issuance of the impugned orders/letter.

12. The learned counsel for the petitioners submits that similar cases were filed by some other petitioners wherein the writ petitions were allowed against the present petitioners, and the present petitioners have preferred appeal against said orders, and the said appeals are pending before the

Principal Seat of Gauhati High Court, namely, Writ Appeal No. 265/2023, Writ Appeal No. 320/2023 and Writ Appeal No. 8/2024. He further submits that in all the writ appeals, the impugned order passed against the present petitioners was stayed by the Division Bench. In support of his submissions, the learned counsel for the petitioners has cited the following rulings:

i. "***Prem Nath Kapur & Anr. Vs. National Fertilizers Corporation***", reported in "***(1996) 2 SCC 71***";

ii. "***State of Maharashtra v. Kailash Shiva Rangari***" *(judgment dated 18.04.2016 in First Appeal No. 251/2003 of the Nagpur Bench of High Court of Bombay)*;

iii. "***Dr. Shamlal Narula v. Commissioner of Income Tax, Punjab***", reported in "***1964 SCR (7) 668***"

13. On the other hand, Mr. Lalchhanliana Khiangte, the learned counsel for the private respondents Nos. 3 to 9 has submitted that the writ petition filed by the present petitioners after a delay of more than four years in challenging the impugned order dated 01.07.2022 and assessment letter dated 19.07.2022, issued by respondent No. 2 is hit by delay, laches and acquiescence as the reasons for delay have not been properly explained by the petitioners.

14. He submits that in a similar writ petition decided by a Co-ordinate Bench of this Court in WP(C) No. 31/2026 *(**Northeast Frontier Railways & another -Vs- State of Mizoram & others**)* where the issues involved are identical. It was dismissed, on 18.09.2026, by the Coordinate Bench on the ground that the petitioner in that writ petition has failed to challenge the principal order on which the consequential order of assessment was passed by

the District Collector. It was also found to be hit by delay, laches and acquiescence as well as the petitioners also failed to explain why, in spite of the availability of statutory remedy of appeal under Section 54 of the Land Acquisition Act, 1894, the writ jurisdiction should be exercised.

15. The learned counsel for the private respondents, therefore, submits that the instant writ petition filed by the writ petitioners is liable to be dismissed on the ground of delay, laches, and acquiescence, as well as on the ground of availability of adequate alternative remedy.

16. The learned counsel for the private respondent Nos. 3 to 9 has submitted that the contentions raised by the petitioners in their writ petition that Section 34 of the Land Acquisition Act, 1894 is applicable only to the original compensation amount awarded by the Collector is not correct. He submits that this may be applicable to the compensation awarded whether it is as per the initial award or later on by the Court or by the Collector.

17. He submits that the contention of the writ petitioners that interest under Section 34 of the Act is to be computed from the date of the award is also incorrect inasmuch as a bare perusal of the statutory provisions contained in Section 34 of the Act shows that the interest accrues from the date of the possession of land till the date of the payment.

18. The learned counsel for the private respondents further submits that the pendency of Writ Appeal No. 320/2023 cannot be regarded as a bar for consideration of the instant writ petition inasmuch as the said writ appeal is concerning the issue as to whether interest under Section 28 as well as Section 34 of the Land Acquisition Act, 1894 can be awarded simultaneously or not,

whereas, the issue involved in the present writ petition is a different issue i.e., whether the interest under Section 34 of the LA Act, 1894 may be awarded from the date of taking possession till the date of payment of value of the land to the landowners in the event of belated payment of such value. He, therefore, prays for dismissing the instant writ petition. In support of his submissions, the learned counsel for the private respondents has cited the ruling of the Apex Court in the case of "***Sundar Vs. Union of India***" reported in "***(2001) 7 SCC 211"***.

19. The learned Government Advocate appearing for the State respondents has supported as well as adopted the submissions made by the learned counsels for the private respondents.

20. I have considered the submissions made by the learned counsel for both sides and have gone through the materials available on record. I have also gone through the rulings cited by the learned counsel for both sides in support of their respective submissions.

21. The issue involved in this writ petition is as to how the provision contained in Section 34 of the Land Acquisition Act, 1894 is to be interpreted. For the sake of convenience, the provision contained in Section 34 of the Land Acquisition Act, 1894 is reproduced herein below: -

> "***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] [Substituted by Act 68 of 1984, Section 20, for " six per centum" (w.e.f. 24.9.1984).] 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.] [Inserted by Act 68 of 1984, Section 20 (w.e.f. 24.9.1984).]"

22. On a bare perusal of the aforesaid statutory provisions, it appears that Section 34 may be invoked only if the amount of compensation is not paid or deposited on or before taking the possession of the land. It postulates payment of interest at the rate of 9% per annum for the first year from the date of taking possession only until it is paid or deposited. It carries an enhanced interest of 15% if the interest remains due even after the lapse of a one-year period of taking possession of the land. Though it is a mandatory provision, however, basically, Section 34 provides for the payment of interest in case of delayed payment after the compensation amount is determined under Section 23(1) of the Land Acquisition Act, 1894. The basic component with which the provision contained in Section 23(1) of the Land Acquisition Act, 1894 deals with is the amount of compensation to be awarded for the acquired land. However, it appears in the instant case no compensation was paid to the landowners for the value of the land for about eight years after taking possession of the land. What was paid to them was only compensation for damage of crops.

23. On perusal of the materials on record, it appears that admittedly the Land Award No. 1 of 2012 (Part-A, Bairabi) was not for the value for the land and it was only for the value of crops. As such it is apparent that though the

petitioners have claimed to have paid the said amount on 06.07.2012, however, no compensation was paid at that point of time for value of the land. It also appears from record that the value of the land was awarded by order dated 07.08.2019 in LA Case No. 4/2019 by the District Collector, Kolasib which was paid by the Railways on 02.10.2021. Apparently, the Railways took possession of the acquired land on 03.04.2013, however, they paid the value of the land only after order of the District Collector, Kolasib on 02.10.2021. Thus, apparently there was a delayed payment in respect of payment of value of the land.

24. Under aforesaid circumstances, this Court, does not find any error in the impugned order dated 1st July, 2022, passed by the District Collector, Kolasib directing the petitioners to pay interest under Section 34 of the Land Acquisition Act, 1894 from the date of taking possession of the acquired land i.e., 03.04.2013 till the date of payment of compensation against the value of the land i.e., 02.10.2021.

25. Otherwise also, the petitioners have not been able to justify the delay of more than four years in assailing the order dated 01.07.2022 whereby the District Collector found them liable to pay interest under Section 34 of Land Acquisition Act, 1894 to the landowners from the date of taking possession of the acquired land till payment of compensation against value of the land to them. The reasons shown for belated filing of this writ petition by the petitioners, namely, frequent transfer of officials posted in the office of the Deputy Chief Engineer (Construction), Bairabi as well as scarcity of staff to deal with pending legal matters cannot be appreciated as the Railways is one of the largest employers in India and the fact that it could not manage staff for more than four years to look into the matter of challenging the order dated

01.07.2022 passed by the District Collector, Kolasib only reflects callousness and negligence on its part in dealing with matters relating to payment of compensation to the land owners whose land have been utilized for development of railway line from Bairabi to Sairang village in Kolasib district of Mizoram. As such, the instant writ petition is also found barred by delay, acquiescence and laches.

26. In view of the discussions made and reasons stated in the foregoing paragraphs, this writ petition is dismissed.

JUDGE

Comparing Assistant