

**In the High Court at Calcutta  
Civil Appellate Jurisdiction  
Appellate Side**

**The Hon'ble Mr. Justice Sabyasachi Bhattacharyya  
And  
The Hon'ble Mr. Justice Supratim Bhattacharya**

**F.M.A. No. 1273 of 2025**

**R.B. Dealers Private Limited & Incorporated**

**-Versus-**

**Union of India and others**

For the appellant	:	Mr. Jaydip Kar, Sr. Adv., Mr. Siddhartha Banerjee, Mr. Sayak Ranjan Ganguly, Ms. Srijani Ghosh, ... Advs.
For the respondents	:	Mr. Promod Kumar Drolia, Mr. Anindya Sundar Das, ... Advs.
Heard on	:	26.02.2026, 02.04.2026 & 22.06.2026
Reserved on	:	22.06.2026
Judgment on	:	01.07.2026

**Sabyasachi Bhattacharyya, J.:-**

1. The present appeal arises out of a judgment dated July 14, 2023 passed in WP No. 16818 (W) of 2019. The matter emanates out of an acquisition under the Metro Railways (Construction of Works) Act, 1978 (hereinafter referred to as "the 1978 Act"). Upon the acquisition of the subject property, the

appellant/land loser was paid compensation, being aggrieved by which, the appellant preferred an appeal before the statutory Authority. Being dissatisfied with the award passed by the Authority, the writ petition was preferred, culminating in the impugned judgment.

- 2.** The primary grievance raised in the present appeal pertains to the insufficiency of the interest granted under Section 80 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (for short “ the 2013 Act”), in view of the 2013 Act being applicable to the acquisition proceedings under the 1978 Act by dint of Section 105(3), read with the Fourth Schedule, of the 2013 Act, Item 6 of which applies the provisions relating to compensation under the 2013 Act to the 1978 Act.
- 3.** Learned senior counsel appearing for the appellant/land loser argues that interest was awarded on the enhanced amount of compensation granted by the Authority from the date commencing after the expiry of one year from the date of possession, omitting to grant interest at the rate of 9% per annum (p.a.) from the date of compensation till one year thereafter. Secondly, it is argued that compensation ought to have been given from the date of award, or at least from the date of declaration under Section 10 of the 1978 Act, instead of the date of possession. Thirdly, it is argued that the interest was calculated till June 11, 2019, whereas the payment was made much thereafter.
- 4.** While elaborating on his arguments, learned senior counsel appearing for the appellant contends that physical possession of the subject land was

taken on February 21, 2017, much prior to payment of compensation to the appellant. In terms of the provisions laid down in Section 80 of the 2013 Act, when compensation is not paid or deposited on taking possession of the land, the Collector owes an obligation to pay to the land loser the compensation amount along with interest at the rate of 9 % p.a. from the time the land is taken possession of till compensation is paid or deposited. Further, in the event compensation is not paid or deposited within one year therefrom, interest is to be paid at the rate of 15% p.a., from the date of expiry of one year, on the amount of compensation or part thereof which remains unpaid.

- 5.** If the date on which the land belonging to the appellant was physically taken possession of is considered to be the starting point for computation of interest in terms of Section 80 of the 2013 Act, upon due adjustment to the sum of Rs. 2,67,10,477/- received by the appellant towards interest from the appropriate authorities pursuant to the impugned judgment, it is argued that the appellants would be entitled to a further sum of Rs. 90,06,035/-, as calculated in a computation sheet annexed to the written notes of argument of the appellant.
- 6.** Learned senior counsel further argues that by reason of the peculiarities of the facts of the present case, the appellant is entitled to interest not from the date of taking physical possession but from the date on which the initial award was made for payment of compensation. Although it is true that Section 80 contemplates interest to be calculated from the date of possession, it is argued that the 1978 Act and has a unique and

distinguishing feature unlike the Land Acquisition Act, 1894 (for short “the LA Act”). Under the LA Act, the land stands vested absolutely in the Government free from all encumbrances only after making of the award and possession being taken, as provided under Section 16 of the said Act. Section 17 of the LA Act lays down an emergency provision, where the appropriate Government can take possession without complying with certain formalities and in the event such an emergency provision is invoked, the land stands vested in the Government free from all encumbrances in terms of Section 17 of the said Act. Section 10 of the 1978 Act, it is contended, is akin to Section 17 of the LA Act, since under both provisions, the land vests absolutely in the Government.

7. Under Section 10 of the 1978 Act, the land vests free from all encumbrances in the Government on the date of publication of declaration under subsection (1) thereof, unlike vesting as contemplated under Section 16 of the LA Act. Section 12 of the 1978 Act also confers unfettered right on the Government to enter the subject land and to undertake various acts once the land is vested. Therefore, a land loser under the 1978 Act loses his right, title and interest in the land immediately upon the declaration being made under Section 10 of the said Act. If such remarkably distinguishing feature of the 1978 Act is taken note of, it is argued that the same leads to an irresistible conclusion that the land loser becomes entitled to interest under the 1978 Act, read with the 2013 Act, not from the date of physical possession but from the date of declaration or, in any event, from the date of publication of the award.

- 8.** In the present case, the declaration under Section 10 of the 1978 Act was made on February 13, 2014, simultaneously with which the land of the appellant stood vested in the Central Government by operation of law and the appellant's right to the land stood curtailed. Thus, the appellant ought to have been entitled to interest since the date of declaration inasmuch as from the said date, the prejudicial affectation of the appellant had started. Even on a conservative approach, it is argued that the appellant cannot be denied interest from the date of the award that followed the date of declaration.
- 9.** Thus, applying the analogy of a land loser in case of an emergency acquisition under the LA Act, the land loser in an acquisition under the 1978 Act should also get interest under Section 80 of the 2013 Act from the date of physical possession, as the land stands vested in the Government on the said date.
- 10.** In support of such contention, learned senior counsel for the appellant relies on *Lila Ghosh (Smt) (Dead) Through LR. Tapas Chandra Roy v. State of W.B.*, reported at (2004) 9 SCC 337.
- 11.** Learned senior counsel next reiterates that in the impugned judgment, two vital aspects were overlooked. First, the appellant was awarded interest only on a portion of the compensation amount and secondly, interest was not awarded for the entire period starting from the date of declaration or even from the date of award till the date of actual payment.
- 12.** It is submitted that in the event the interest payable is calculated on the entire awarded amount from the date of the award, the appellant would be

entitled to a further amount of Rs.1,38,49,499/-, as reflected in the further computation sheet enclosed with the written notes of argument of the appellant.

- 13.** Learned senior counsel next controverts the argument of the respondent-authorities that the 2013 Act or Section 80 thereof does not apply to acquisition of land under the 1978 Act, on the ground that under the Gazette Notification published on August 28, 2015, the benefits under the 2013 Act has clearly been made applicable to land losers under the 1978 Act. Thus, the appellant argues that the impugned judgment ought to be modified on the above counts.
- 14.** *Per contra*, learned counsel appearing for the respondent-authorities contends that although no cross-objection has been separately filed, the respondents are entitled to argue against the findings and components of the impugned judgment as well.
- 15.** By placing reliance on Section 105 of the 2013 Act, read with the Central Government Gazette Notification dated August 28, 2015, learned counsel appearing for the respondents contends that sub-section (3) of Section 105 entitles land losers to the benefit only in respect of determination of compensation in accordance with the First, Second and Third Schedules of the said Act, excluding the other provisions of the Act to such proceedings. Thus, any dispute regarding interest on delayed payment or mode of payment arising out of the 1978 Act will be governed by the 1978 Act and not under the 2013 Act. The component of interest having not been specifically applied to acquisitions under the 1978 Act by dint of the 2015

Notification, it is argued that the learned Single Judge erred in law in directing payment of interest under Section 80 of the 2013 Act at all. It is thus submitted that the excess amount of interest deposited by the respondents, totaling Rs.2,67,10,477/-, was not payable to the appellant at all.

- 16.** Learned counsel for the respondents submits that the appellant had served a photocopy to the respondents of a judgment passed by the Allahabad High Court in *WC No. 11417 of 2023 [Balwan Singh and Another vs. National Highway Authority of India and Another]* to argue that interest under Section 80 of the 2013 Act would apply to the acquisition proceedings under the 1978 Act as well. However, an appeal is pending against the judgment of the Allahabad High Court passed in the said matter, bearing Diary No. 2131 of 2024, before the Hon'ble Supreme Court. The Hon'ble Supreme Court, it is submitted, was pleased to admit the said Special Leave Petition and to issue notice to the respondent therein vide order dated May 10, 2024. It is contended that other similar Special Leave Petitions have also been admitted by the Hon'ble Supreme Court against similar judgments.
- 17.** In fine, learned advocate for the respondent argues that the impugned judgment ought to be set aside and the appellant to be directed to refund the sum of Rs. 26,71,10,477/- paid on June 7, 2024 to the respondent-authorities, with interest at the rate of 9% thereon from date of payment till refund.
- 18.** Upon hearing both sides, the Court comes to the following conclusions:

- 19.** Before entering into the merits of the case, the contours of an acquisition under the 1978 Act are required to be noted. The power of acquisition of land has been conferred on the authorities under Section 6 of the 1978 Act. Under Section 7 thereof, a notification has to be published in the Official Gazette in case of such acquisition, whereafter hearing is to be given to the objectors under Section 9 thereof. Subsequently, a further declaration is to be made in the Official Gazette under Section 10. Under Section 10(2) of the 1978 Act, upon such declaration being issued, the acquired land vests without encumbrances in the Central Government. Sub-section 10(4) provides that no such declaration shall be called in question before any court or before any other authority.
- 20.** Under Section 13 of the 1978 Act, compensation for acquisition is to be determined by the authorities.
- 21.** Sections 25 and 26 of the 1978 Act speaks about the amount payable for damages, loss or injury upon the acquisition process and the right to claim such damages, whereas Section 17 of the 1978 Act excludes the operation of the LA Act from acquisitions under the 1978 Act.
- 22.** Under Section 25(2) of the 1978 Act, an appeal lies to the Authority under the said Act if the amount of compensation is not acceptable to either party.
- 23.** Thus, by dint of Section 17 of the 1978 Act, the provisions of the LA Act are not applicable in respect of acquisitions under the 1978 Act.
- 24.** Section 105 of the 2013 Act is germane in the context and is quoted hereinbelow:

**“105. Provisions of this Act not to apply in certain cases or to apply with certain modifications.**—(1) Subject to sub-section (3), the provisions of this Act shall not apply to the enactments relating to land acquisition specified in the Fourth Schedule.

(2) Subject to sub-section (2) of section 106, the Central Government may, by notification, omit or add to any of the enactments specified in the Fourth Schedule.

(3) The Central Government shall, by notification, within one year from the date of commencement of this Act, direct that any of the provisions of this Act relating to the determination of compensation in accordance with the First Schedule and rehabilitation and resettlement specified in the Second and Third Schedules, being beneficial to the affected families, shall apply to the cases of land acquisition under the enactments specified in the Fourth Schedule or shall apply with such exceptions or modifications that do not reduce the compensation or dilute the provisions of this Act relating to compensation or rehabilitation and resettlement as may be specified in the notification, as the case may be.

(4) A copy of every notification proposed to be issued under sub-section (3), shall be laid in draft before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in disapproving the issue of the notification or both Houses agree in making any modification in the notification, the notification shall not be issued or, as the case may be, shall be issued only in such modified form as may be agreed upon by both the Houses of Parliament.”

**25.** As seen from the language of this above Section, the provisions of the 2013 Act *per se* do not apply to the enactments relating to land acquisition which are specified in the Fourth Schedule. Under Item 6 of the Fourth Schedule, the 1978 Act is enumerated.

- 26.** However, sub-section (1) of Section 105 carves out an exception to the effect that such bar is subject to sub-section (3) of the said Section. Under sub-section (3), the Central Government, by notification within one year from the date of commencement of the 2013 Act, has the power to direct any of the provisions of the 2013 Act relating to the determination of compensation in accordance with the First Schedule and rehabilitation and resettlement specified in the Second and Third Schedules, being beneficial to the affected families, to be applied to the cases of land acquisition under the enactments specified in the Fourth Schedule, or to apply with such exceptions or modifications that do not reduce the compensation or dilute the provisions of the 2013 Act relating to compensation or rehabilitation and resettlement as may be specified in the notification.
- 27.** The next salient document which acquires relevance is Notification No. S.O. 2368(E) dated August 28, 2015 issued by the Central Government through the Ministry of Rural Development. The said notification/Government Order is set out verbatim below:

**MINISTRY OF RURAL DEVELOPMENT**

**ORDER**

New Delhi, the 28th August, 2015

**S.O. 2368(E).**-Whereas, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (30 of 2013) (hereinafter referred to as the RFCTLARR Act) came into effect from 1st January, 2014;

And whereas, sub-section (3) of Section 105 of the RFCTLARR Act provided for issuing of notification to make the provisions of the Act relating to the determination of the compensation, rehabilitation and resettlement applicable to cases of land acquisition under the enactments specified in the Fourth Schedule to the RFCTLARR Act;

And whereas, the notification envisaged under sub-section (3) of Section 105 of the RFCTLARR Act was not issued, and the RFCTLARR (Amendment) Ordinance, 2014 (9 of 2014) was promulgated on

31st December, 2014, thereby, inter-alia, amending Section 105 of the RFCTLARR Act to extend the provisions of the Act relating to the determination of the compensation and rehabilitation and resettlement to cases of land acquisition under the enactments specified in the Fourth Schedule to the RFCTLARR Act;

And whereas, the RFCTLARR (Amendment) Ordinance, 2015 (4 of 2015) was promulgated on 3rd April, 2015 to give continuity to the provisions of the RFCTLARR (Amendment) Ordinance, 2014;

And whereas, the RFCTLARR (Amendment) Second Ordinance, 2015 (5 of 2015) was promulgated on 30th May, 2015 to give continuity to the provisions of the RFCTLARR (Amendment) Ordinance, 2015 (4 of 2015);

And whereas, the replacement Bill relating to the RFCTLARR (Amendment) Ordinance, 2015 (4 of 2015) was referred to the Joint Committee of the Houses for examination and report and the same is pending with the Joint Committee;

As whereas, as per the provisions of article 123 of the Constitution, the RFCTLARR (Amendment) Second Ordinance, 2015 (5 of 2015) shall lapse on the 31st day of August, 2015 and thereby placing the land owners at the disadvantageous position, resulting in denial of benefits of enhanced compensation and rehabilitation and resettlement to the cases of land acquisition under the 13 Acts specified in the Fourth Scheduled to the RFCTLARR Act as extended to the land owners under the said Ordinance;

And whereas, the Central Government considers it necessary to extend the benefits available to the land owners under the RFCTLARK Act to similarly placed land owners whose lands are acquired under the 13 enactments specified in the Fourth Schedule; and accordingly the Central Government keeping in view the aforesaid difficulties has decided to extend the beneficial advantage to the land owners and uniformly apply the beneficial provisions of the RFCTLARR Act, relating to the determination of compensation and rehabilitation and resettlement as were made applicable to cases of land acquisition under the said enactments in the interest of the land owners;

Now, therefore, in exercise of the powers conferred by sub-section (1) of Section 113 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (30 of 2013), the Central Government hereby makes the following Order to remove the aforesaid difficulties, namely:--

1. (1) This Order may be called the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Removal of Difficulties) Order, 2015.

(2) It shall come into force with effect from the 1st day of September, 2015.

2. The provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, relating to the determination of compensation in accordance with the First Schedule, rehabilitation and resettlement in accordance with the Second Schedule and infrastructure amenities in accordance with the Third Schedule shall apply to all cases of land acquisition under the enactments specified in the Fourth Schedule to the said Act.

[F. No. 13011/01/2014-LRD]

K. P. KRISHNAN, Addl. Secy.

**28.** The present appeal is required to be adjudicated in the above backdrop.

**29.** The moot questions which fall for consideration herein are formulated below:-

- (i) *Whether land losers in acquisition proceedings under the 1978 Act are entitled to interest under Section 80 of the 2013 Act;*
- (ii) *Whether interest is payable from the date of dispossession or award;*
- (iii) *Whether interest is payable on enhanced amount as a whole or piecemeal, by segregating interest on initial award under Section 30(2), 2013 Act and interest on enhanced award under Section 69 of the said Act.*

**30.** The said issues are decided in the following manner:-

- (i) **Whether land losers in acquisition proceedings under the 1978 Act are entitled to interest under Section 80 of the 2013 Act**

**31.** It is to be noted that the bar under sub-section (1) of Section 105 of the 2013 Act is subject to the notifications issued by the Central Government under sub-section (3) thereof. Certain conspicuous indicators as to the scope of applicability of the 2013 Act are embedded in sub-section (3) of Section 105 itself. The Central Government, under the said provision, is empowered to apply *any of the provisions* of the 2013 Act *relating to the determination of compensation and rehabilitation and resettlement*, specified in the First, Second and Third Schedules respectively.

- 32.** It is further enumerated that such provisions, *being beneficial to the affected families, shall apply to the cases of land acquisition under the enactments specified in the Fourth Schedule.*
- 33.** In the alternative, the provisions shall apply with such exceptions or modifications *that do not reduce the compensation or dilute the provisions of the 2013 Act relating to compensation or rehabilitation and resettlement as may be specified in the notification, as the case may be.*
- 34.** Hence, the applicability of the said Act, once a notification is issued under Section 105(3) of the 2013 Act, is in the context of being beneficial to the affected families. Even the exceptions or modifications thereto, which the Central Government is empowered to introduce in the notifications, cannot reduce the compensation or dilute the provisions of the 2013 Act relating to compensation, rehabilitation or resettlement.
- 35.** The Notification dated August 28, 2015 issued under Section 105(3) of the 2013 Act provides inter alia that the Central Government considers it necessary to extend the benefits available to the land owners under the 2013 Act to *similarly placed* land owners whose lands are acquired under the enactments specified in the Fourth Schedule. The expression “similarly placed” is used in the context of the historical background of the Notification, narrated thereinabove, which speaks about the land owners being placed in a disadvantageous position due to lapse of the Second Amendment Ordinance, 2015 to the 2013 Act on August 31, 2015, resulting in denial of the benefit of enhanced compensation and rehabilitation and resettlement to cases of land acquisition under the Acts specified in the

Fourth Schedule of the 2013 Act as extended to the land owners under the said ordinance.

- 36.** Accordingly, as per the 2015 Notification, the Central Government, keeping in view the aforesaid difficulties, has decided to extend the beneficial advantage to the land owners and *uniformly* applies such provisions *relating to the determination of compensation and rehabilitation and resettlement as were made applicable to case of land acquisition under the said enactments in the interest of land owners.*
- 37.** The terms “beneficial in advantage to the land owners” and “uniformly” are noteworthy.
- 38.** The Notification proceeds, “therefore”, in exercise of powers conferred under Section 113(1) of the 2013 Act, to make the concerned Notification/Order to remove the difficulties mentioned thereinabove.
- 39.** Item 2 of the Notification stipulates that the provisions of the 2013 Act relating to the determination of compensation *in accordance with the First Schedule*, rehabilitation and resettlement in accordance with the Second and Third Schedules, shall apply to *all cases of land acquisition under the enactments specified in the Fourth Schedule of the said Act.*
- 40.** Thus, the provisions of the 2013 Act “relating to determination of compensation in accordance with the First Schedule” (along with resettlement and rehabilitation under the Second and Third Schedules) shall apply to all cases of acquisition under the Fourth Schedule Acts, in terms of the Notification. Therefore, the Notification applies all provisions of 2013 Act “relating to determination of compensation” in accordance with the First

Schedule of the 2013 Act in a blanket fashion to acquisitions under the 1978 Act.

- 41.** The first salient feature which catches the eye is that the Notification applies not only the bare compensation components in the First Schedule but “all provisions relating to compensation” of the 2013 Act, which also covers interest under Section 80 of the said Act.
- 42.** Moreover, Section 30(2) of the 2013 Act provides for individual awards detailing particulars of compensation payable and details of compensation as specified in the First Schedule. However, the First Schedule does not speak merely of ‘compensation’ but all components of *minimum compensation package*. The broad expression “minimum compensation package” includes ingredients such as solatium which, as per the Explanation to Section 30(1) of the 2013 Act, is “in addition to” compensation. Thus, the First Schedule is not limited to compensation but includes additional components, recognised to be so in the statute itself, also to be included in the minimum compensation package. Item 5 of the First Schedule categorically incorporates solatium, which is recognised specifically in the Explanation to Section 30(1) to be “in addition to compensation”.
- 43.** Another aspect which is required to be considered is that Serial No. 8 of the First Schedule includes “other components, if any, to be included”. Hence, the said residuary provision also connotes that the ambit of the First Schedule is not limited to mere compensation. The 2015 Notification applies

the entire First Schedule vis-à-vis acquisitions under the 1978 Act, thus including other components including interest.

- 44.** From a still different perspective, interest for delayed payment, conceptually, is strictly not a ‘component’ of compensation but a necessary concomitant of “compensation payable” for acquisition. The question of imposition of such interest arises only when compensation payable to the land loser is not paid within due time and, by itself, is not an ingredient of compensation as such. The liability to pay interest is an integral part of equity, to compensate land losers for the delay occasioned by the authorities by sitting over the compensation which, if paid in time, could fetch interest for the land loser.
- 45.** Considered from the said angle, interest for delayed payment need not specifically be enumerated in the Notification to be payable. The liability to pay interest if payment of compensation is not made in time arises simultaneously with the liability to pay compensation itself and is an essential and integral part of the very concept of compensation. Thus, the argument of the respondents, that non-inclusion of the term “interest” specifically in the 2015 Notification deprives land losers of such interest, is specious but not borne out by cardinal concepts of law and equity.
- 46.** We cannot also lose sight of the fact that by its very provisions, the 2015 Notification is a beneficial piece of delegated legislation, since it claims to extend beneficial advantage and uniformly apply the beneficial provisions of the 2013 Act relating to determination of compensation to similarly placed land owners without reducing the compensation or diluting the provisions of

the 2013 Act. As such, the same has to be construed liberally in favour of the beneficiaries thereof.

47. Accordingly, this issue is decided in favour of the appellant, holding that land losers in acquisition proceedings under the 1978 Act are also entitled to interest under Section 80 of the 2013 Act.

(ii) **Whether interest is payable from the date of dispossession or award**

48. Section 80 of the 2013 Act is quoted hereinbelow:-

*“80. 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 cent 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 cent 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.”*

49. The language of the said provision unambiguously stipulates the dates from which the liability to pay the same commences, breaking the period of interest into two parts. The main Section stipulates that interest is to be awarded at the rate of 9% p.a. from the date of taking possession of the land, if not paid or deposited till then, until it is so paid.

- 50.** However, the proviso to Section 80 applies a different regime of rate of interest, stipulating that if such compensation is not paid within one year from the date of dispossession of the land loser, the rate will be enhanced to 15% p.a., payable on the amount of compensation or part thereof which remains unpaid from the expiration of the said period of one year till the date of payment. Hence, till one year after the date of dispossession, interest has to be paid at the rate of 9% p.a. and, thereafter, at the rate of 15% p.a. till payment/deposit.
- 51.** The appellant relies on *Lila Ghosh (supra)*<sup>1</sup> to argue that the interest should be calculated from the date of the award or at least the declaration under Section 10 of the 1978 Act. However, in the said judgment, the Hon'ble Supreme Court exercised its powers under Article 142 of the Constitution of India in order to do complete justice in the facts of the case and did not, with respect, lay down a binding precedent of law. In the absence of anything in the said judgment to indicate that the provisions of Section 80 or any of the provisions of the 2013 Act were struck down, it is the said provisions which still provide the guidelines in respect of the date of commencement of interest calculation.
- 52.** The analogy sought to be drawn by the appellant between the LA Act and the 2013 Act is misplaced. Section 17 of the 1978 Act, it has to be kept in mind, categorically excludes the operation of the said Act to acquisitions under the 1978 Act, whereas Section 105(3) of the 2013 Act empowers the

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<sup>1</sup> *Lila Ghosh (Smt) (Dead) Through LR. Tapas Chandra Roy v. State of W.B., reported at (2004) 9 SCC 337*

Central Government, by notification, to apply the provision of the 2013 Act to acquisitions under any of the enactments in the Fourth Schedule, including the 1978 Act. The regime of acquisition and compensation under the LA Act is completely different from the paradigm provided in the 1978 Act, read with the 2013 Act.

- 53.** Under the LA Act, two different classes of acquisition are contemplated. In respect of emergency acquisition under Section 17 thereof, the clock starts from the date of dispossession of the land loser and unless a portion of the compensation as stipulated therein is immediately paid, the calculation of interest starts to run, apparently on the logic that the land vests with the Government with possession being taken. As opposed thereto, in case of a regular acquisition under the LA Act, only upon possession being taken post-declaration and passing of award under Section 16 of the LA Act does the land vest in the Government.
- 54.** However, in the teeth of the specific provisions of the 2013 and 1978 Acts, no amount of analogy could replace the specific intention of the Legislature. Hence, the said line of argument cannot be accepted.
- 55.** Accordingly, this issue is decided against the appellants, by holding that in terms of Section 80 of the 2013 Act, the interest under the said provision is payable from the date of dispossession of the land loser and not from the date of either the award or the declaration under the 1978 Act.
- 56.** Any other interpretation would be patently contrary to the statute.

**(iii) Whether interest is payable on enhanced amount as a whole or piecemeal, by segregating interest on initial award under Section 30(2), 2013 Act and interest on enhanced award under Section 69 of the said Act**

- 57.** The appellant argues that the interest is to be imposed by treating the enhanced award as a single slab. However, the scheme of the 2013 Act is otherwise.
- 58.** Section 27 of the 2013 Act provides for the determination of the amount of compensation and Section 30(2) thereof stipulates that the Collector's department shall issue individual awards detailing the particulars of compensation payable and the details of payment of compensation as specified in the First Schedule.
- 59.** Under Section 64 of the 2013 Act, a reference may be made to the Authority by any person interested, who has not accepted the award, whether his objection be to the measurement of the land, the amount of compensation, etc. Section 69 provides for the determination of award by the Authority.
- 60.** Section 80 of the 2013 Act provides for compensation of interest "when the amount of such compensation is not paid or deposited on or before taking possession of the land".
- 61.** However, Section 72 of the said Act specifically contemplates interest on excess compensation. Section 72 is quoted hereinbelow:

***"72. Collector may be directed to pay interest on excess compensation.—If the sum, which in the opinion of the Authority concerned, the Collector ought to have awarded as compensation is in excess of the sum which the Collector did award as compensation, the***

*award of the Authority concerned may direct that the Collector shall pay interest on such excess at the rate of nine per cent. per annum from the date on which he took possession of the land to the date of payment of such excess into Authority:*

*Provided that the award of the Authority concerned may also direct that where such excess or any part thereof is paid to the Authority 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 cent. 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 Authority before the date of such expiry.”*

- 62.** The said provision is somewhat similar to Section 80, except that it refers to interest only on the excess amount determined by the Authority, as opposed to the original award passed by the Collector. The regime of interest is the same as Section 80, being 9% from date of possession for a period of one year and, thereafter, 15% p.a. till payment/deposit.
- 63.** If we read Sections 72 and 80 of the 2013 Act in conjunction, two different sets of interest are found to have been contemplated. Since Section 72 deals exclusively with the interest payable on the *excess* amount awarded by the Authority over and above the original award of the Collector, Section 80, by necessary implication, becomes the residuary provision, governing interest on delayed payment of the compensation awarded by the Collector. Hence, the interest contemplated under Section 80 is to be tied up with the initial award under Section 30(2) of the 2013 Act, whereas interest under Section 72 has to be linked with determination of enhanced award by the Authority under Section 69.



**CONCLUSION**

- 69.** In view of the aforementioned findings, FMA 1273 of 2025 is allowed in part on contest, modifying the impugned judgment dated July 14, 2023 passed in WPA No.16818 of 2019 to the extent that the respondents shall pay to the appellant, as interest for delayed payment of compensation, the amount of Rs.3,05,99,928/-.
- 70.** There will be no order as to costs.
- 71.** Urgent certified copies, if applied for, be supplied to the parties upon compliance of all formalities.

**(Sabyasachi Bhattacharyya, J.)**

I agree.

**(Supratim Bhattacharya, J.)**

**Later**

After the above judgment is passed, learned counsel appearing for the respondents prays for stay of operation of the above judgment.

We grant stay of the said judgment for thirty days from date.

**(Supratim Bhattacharya, J.)**

**(Sabyasachi Bhattacharyya, J.)**