

Union of India

Vs

Hira Lal and Others

Civil Appeal No. 11740 of 1996

(B. P. Jeevan Reddy, K. S. Paripoornan JJ)

06.09.1996

ORDER

1. Leave granted.
2. Heard the counsel for the parties.
3. We are of the opinion that the learned District Judge who heard the appeal filed by the State and cross-objections filed by the respondents was not competent to award solatium and interest as per the provisions of the Land Acquisition Act, 1894 (as amended by the 1984 Amendment Act.) Accordingly, we delete the award of solatium and also award of interest at the rate and for the periods mentioned in the order of the learned District Judge. We, however, affirm the quantum of compensation awarded by the arbitrator at Rs 3.61 lakhs (excluding the amount of Rs 72,037.85 paise which has already been paid to the respondents in the year 1982). Having regard to the facts and circumstances of the case, however, we direct that the said amount of Rs 3.61 lakhs shall carry simple interest at the rate of 12 per cent from the date of decree of the learned Subordinate Judge, i.e., the date on which the learned Subordinate Judge made the award a rule of the court. The said interest shall be payable till the date of payment.
4. We must mention that the concession made by the Government Advocate before the learned District Judge that the respondents are entitled to solatium and interest as provided in the Land Acquisition Act, 1894 (as amended in 1984) was a totally unwarranted concession. Being a concession on a question of law, it cannot be said to be binding upon the appellant. It is surprising how the Government Advocate could have made such a concession which is totally untenable in law and is prejudicial to the interests of the parties he was representing. We are equally of the opinion that this was not a matter in which the revision petition filed by the appellant should have been dismissed in limine by the High Court.
5. The appeal is accordingly allowed in part in the above terms. No costs.