

THE HON' BLE SRI JUSTICE C. PRAVEEN KUMAR

WRIT PETITION No.19886 of 2008

ORDER:

Heard learned counsel for the petitioner and learned Government Pleader for land acquisition.

2. The present Writ Petition came to be filed seeking issuance of writ of Mandamus declaring the proceedings bearing Rc.No.1722/ 08/ G2 dated 24.08.2008 issued pursuant to the enquiry under Section 5-A of the Land Acquisition Act, 1894 (for short the Act, 1894) in respect of petitioner's land admeasuring Ac.1.00 situated in Survey No.91/3 of Dhandamudi Village, Ponnuru Mandal, Guntur District, as illegal and arbitrary.

3. A perusal of the averments in the affidavit filed in support of the writ petition would show that the State issued notification under Section 4 (1) of the Act, 1894 vide proceedings vide Rc.No.1722/ 08/ G2, dated 12.05.2008, proposed to acquire the above mentioned land for the purpose of providing house site pattas to weaker section. The said notification was challenged before this Court by way of writ petition which was disposed of on 17.06.2008 permitting the petitioner to submit his objections within ten days therefrom and if any objections were submitted within the specified time, the respondents were directed to receive the same, consider and pass appropriate orders in accordance with law. Pursuant thereto, the petitioner herein is said to have submitted his objections and the same were not considered properly by the respondents. It is stated that enquiry under Section 5-A of the Act has been conducted without proper consideration of the objections raised by the petitioner. Aggrieved by the procedure adopted by the respondents the present writ petition came to be filed.

4. By an order, dated 19.09.2008, this Court granted status quo as on that day as regards the possession over the land in question.

5. A counter came to be filed contending that the Government identified and proposed to acquire the land admeasuring Ac.1.00 cents in Survey No.91(3) part of Dandamudi Village, Ponnur Mandal to provide houses to the poor families under Indiramma Housing Programme. The averments in the counter also show that after conducting survey, the Tahsildar submitted proposals of draft notification under Section 4(1) of the Act of 1894 to the RDO. After scrutinizing the same, the District Collector, approved the Draft Notification issued under Section 4(1) of the Act, Guntur vide proceedings Rc.No.1722/ 08/ G2, dated 12.05.2008 and the same got published in the district gazette, local daily newspapers and locality on 17th, 18th and 19/ 20.05.2008. After serving and publication of notices, 5A enquiry was conducted and submitted a report in Rc.No.205/ 08/ DT, dated 25.07.2008. The enquiry record and draft declaration proposal under Section 6 of the Act was submitted to the Collector, Guntur, vide Rc.No.919/ 2008/ A, dated 12.08.2008. The Collector has approved draft declaration under Section 6 of the Act vide proceedings Rc.No.1722/ 2008/ G2, dated 24.08.2008 and the same was published in District Gazette, Newspapers and locality on 26th and 30.08.2008 respectively. Thereafter, notices in form 6 and 7 under Sections 9 (1), 10, 9(3) and 10 were issued on 12.09.2008 for attending Award enquiry to be conducted on 30.09.2008. Without attending the award enquiry, the petitioner approached this Court and obtained status quo order in W.P.No.19886 of 2008, hence the respondents could not proceed further.

6. Before proceeding further, it would be appropriate to refer to Section 11-A of the Act, 1894.

“Section 11-A : A period within which an award shall be made:
The Collector shall make an award under Section 11 within a period of two years from the date of the publication of the declaration and if no award is made within that period, the entire proceedings for the acquisition of the land shall lapse:

Provided that in a case where the said declaration has been published before the commencement of the Land Acquisition (Amendment) Act, 1984, the award shall be made within a period of two years from such commencement.

Explanation: In computing the period of two years referred to in this Section, the period during which any action or proceeding to be taken in pursuance of the said declaration is stayed by an order of a court, shall be excluded.

7. A perusal of the material placed before the Court would show that the R.D.O. Tenali issued notice under Section 5-A of 1894 Act on 28.05.2008 directing the petitioner to file objections fixing the enquiry date on 17.06.2008. The petitioner submitted his objections, but the same were rejected. On 26.08.2008 declaration under section 6 of the Act came to be issued. Challenging the same the present writ petition came to be filed and this Court granted status quo with regard to possession. As per the Act, the declaration under Section 6 of the Act, 1894 has to be issued within a period of one year from the said date. However, the period of stay if any has to be excluded for the purpose of calculating the period of one year for publication of declaration. Section 11A of the Act, 1894 prescribes passing of an award within a period of two years from the date of said declaration excluding the period of stay/ injunction if any granted by a Court.

8. In the process, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (for short “the Act 30 of 2013”) came into force with effect from 01.01.2014. Section 24 (1) (a) of the Act, 2013 prescribes that if the land acquisition proceedings

were initiated under the Act and no award under Section 11-A of the Act, 1894 has been made, all the provisions of the Act 30 of 2013 shall apply for determination of compensation.

9. In order to determine the compensation and the period within which an award shall be made, the Act 30 of 2013 provides a procedure under Sections 25 and 26 of the Act 30 of 2013, which reads as under:

“Section 25. Period within which an award shall be made: The Collector shall make an award within a period of twelve months from the date of publication of the declaration under Section 19 and if no award is made within that period, the entire proceedings for the acquisition of the land shall lapse:

Provided that the appropriate Government shall have the power to extend the period of twelve months if in its opinion, circumstances exist justifying the same.

Provided further that any such decision to extend the period shall be recorded in writing and the same shall be notified and be uploaded on the website of the authority concerned.

Section 26. Determination of market value of land by Collector:

(1) The Collector shall adopt the following criteria in assessing and determining the market value of the land namely:

(a) the market value, if any, specified in the Indian Stamp Act, 1899 (2 of 1899) for the registration of sale deeds or agreements to sell, as the case may be, in the area, where the land is situated; or

(b) the average sale price for similar type of land situated in the nearest village or nearest vicinity area; or

(c) consented amount of compensation as agreed upon under sub-section (2) of Section 2 in case of acquisition of lands for private companies or for public private partnership projects, whichever is higher:

Provided that the date for determination of market value shall be the date on which the notification has been issued under Section 11.”

10. Under Section 26 of the Act 30 of 2013, the Collector has to determine the market value of the land for the purpose of payment of compensation under Section 24 of the Act 30 of 2013. Methodology to be adopted for arriving at the market value is prescribed under Section 26 of the Act 30 of 2013. Proviso to Section 26 of the Act 30 of 2013 states that the market value shall be as on the date on which the notification under Section 11 of the Act 30 of 2013 has been issued. An argument is advanced stating that Section 11 of the Act 30 of 2013 has to be equated with Section 4 (1) of the Act, 1894. I am afraid, the same cannot be accepted for the reason that if really the intention of the legislature was to equate Section 11 of the Act 30 of 2013 with Section 4 of the Act, 1894, definitely there would have been some indication to that effect in the Act 30 of 2013. On the other hand, though Act 30 of 2013 takes care of many situations and shortfalls under Act, 1894, it is silent on this aspect. Apart from that, it is to be noted that Section 4 of the Act, 1894 does not anywhere indicate fixation of market value. While determining the compensation to be paid in respect of the lands acquired under the Act, 1894, the market value prevailing as on the date of the award is normally taken into consideration. But situation under Act 30 of 2013 appears to be different. Therefore, the argument that the Section 11 of the Act 30 of 2013 has to be equated to Section 4 of the Act, 1894 cannot be accepted. On this score, the proceedings under Old Act should lapse, giving liberty to initiate fresh proceedings under the Act 30 of 2013.

11. Issue identical to the case on hand came up for consideration before a learned Single Judge of this Court in W.P.Nos.22781 of 2008, 18274 and 18619 of 2009. It was a case where declaration under Section 6 of the Act,

1894 was made in the year 2009 and no award was passed by virtue of *status quo* order granted by this Court. Dealing with Section 11-A of the Act, 1894, a learned single Judge of this Court held as under:

“Under Section 11 (A) of the Act, the award has to be passed within a period of two years from the date of publication of the declaration and in computing the period of two years, the period during which any action or proceeding to be taken in pursuance of the said declaration stayed by the order of Court shall be excluded. Even if that period is excluded and an award is liable to be passed, now it cannot be done under the provisions of the Act, as the action has to be taken as per Section 24 (1) (a) of Act 30 of 2013.

The Interplay of Section 11 (A) of the Act and Section 24 (1) (a) of the New Act was considered by the Apex Court in *Laxmi Devi v. State of Bihar and others*¹, wherein the Apex Court held that the acquisition proceedings initiated under the Act are liable to be *set aside* and the respondents were given liberty to issue a fresh notification, if they so choose, under New Act.”

12. Cases where lands are sought to be acquired for housing purpose under Indiramma Housing Scheme, came up for consideration before this Court in W.P.Nos.454 and 14091 of 2009. It was a case where notification under Section 4 (1) of the Act, 1894 was issued for acquiring the land admeasuring Ac.5.85 cents situated in Mudinepalli Village, Krishna District for the purpose of providing house sites to the weaker sections of the society under Indiramma programme. A learned Single Judge of this Court, while dealing with the said issue, held as under:

“This Court granted interim stay of all further proceedings, as a result of which the respondents could not complete the

¹ (2015) 10 SCC 241

acquisition proceedings. In the meanwhile, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 came into force with effect from 01.01.2014 and seven years have lapsed from the date of publication of Section 4 (1) notification. It is not known whether the earlier scheme of providing house sites to the weaker sections of the society is being pursued by the Government due to changed circumstances.”

13. The Government Pleader for Land Acquisition submits that said order is not challenged and has become final. Further the Government Pleader could not place any material on record to show that the said land is still required for providing house sites to weaker sections. Infact, a doubt is raised with regard to the very existence of the scheme.

14. It is said that, in the instant case, the award could not be passed in view of the interim order wherein the authorities were directed not to dispossess the petitioner from the subject land. The interim order granted by this Court is only a direction to the authorities not to dispossess the petitioner from the subject property. Though there was no stay of any proceedings, the authorities failed to pass an award. Section 11-A of the Act, 1894 prescribes that an award has to be passed within a period of two years from the date of declaration. Though there is no interim order staying the proceedings, the authorities failed to proceed further, thereby violating the mandate of Section 11-A of the Act, 1894.

15. For the aforesaid reasons, the writ petition is allowed and the impugned proceedings initiated under the Act, 1894, are set aside, giving liberty to the respondents to initiate fresh proceedings for acquisition of the above mentioned land of the petitioner, if the land is still required, in accordance with the provisions of the Act 30 of 2013. There shall be no order as to costs.

16. Consequently, miscellaneous petitions, if any, pending in this Writ Petition shall stand closed.

JUSTICE C. PRAVEEN KUMAR

19.01.2017
vhb/ gkv

