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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% *Date of Judgment: 29th January, 2018*

+ W.P.(C) 5214/2015

RAVINDER SINGH & ORS.

..... Petitioners

Through: Mr. N. Prabhakar and Mr. Dhruv Sharma,
Advocates.

versus

UNION OF INDIA AND ORS

..... Respondents

Through: Mr. Siddharth Panda, Advocate for
LAC/L&B.

Mr. Ajay Verma, Senior Standing Counsel
for DDA with Mr. Kush Sharma, Ms.
Diviani Khanna and Mr. Ekant Luthra,
Advocates.

CORAM:

HON'BLE MR. JUSTICE G.S.SISTANI

HON'BLE MS. JUSTICE SANGITA DHINGRA SEHGAL

G.S.SISTANI, J. (ORAL)

1. This is a petition under Article 226 of the Constitution of India filed by the petitioners seeking a declaration that the acquisition proceedings initiated under Section 4 of the Land Acquisition Act, 1894 (hereinafter referred to as '**the Act**') with respect to land of the petitioners comprised in Khasra No. 227, situated in the revenue estate of village Lado Sarai, New Delhi (hereinafter referred to as '**the Subject Land**') stand lapsed in view of Section 24 (2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter referred to as

‘2013 Act’), as the compensation has not been paid to the petitioners nor physical possession of the subject land was taken over.

2. At the outset, it is clarified by counsel for the parties that this writ petition pertains to 1 Bigha 12 Biswa comprised in Khasra No. 227 situated in the revenue estate of village Ladosarai, New Delhi.
3. Learned counsel for the petitioner submits that the acquisition proceedings of subject land stands lapsed as neither the compensation has been tendered to the petitioners nor actual physical possession of the subject land, has been taken, thus, the case of the petitioners is fully covered by a decision rendered by the Apex Court in the case of *Pune Municipal Corporation & Anr. v. Harakchand Misirimal Solanki & ors.*, reported at (2014) 3 SCC 183.
4. Learned counsel for the petitioner while relying on a copy of Jamabandi filed, submits that petitioners No. 1 to 8 are legal heirs of deceased Hari Singh, petitioners No. 9 to 13 are legal heirs of deceased Amrit, while, Surja died issueless. He further submits that the petitioners would be satisfied in case compensation is granted to them as per the 2013 Act for the reasons that DDA has taken a stand in its counter affidavit the land is required for construction LIG flats.
5. Learned counsel for DDA submits that merely because the land is not put to use and lying vacant, does not mean that the subject land is not in actual physical possession of the DDA.
6. Counter affidavit has been filed by LAC as per which the possession has been taken over but compensation has not been tendered to the recorded owners.

7. We have heard learned counsel for the parties and considered their rival submissions.
8. In this case, a notification under Section 4 of the Act was issued on 13.11.1959, a declaration under Section 6 of the Act was issued on 16.05.1966 and an Award bearing No. 36/1981-82 was passed under Section 11 of the Act and the possession of the subject land was taken on 20.06.1980.
9. Counter affidavit has been filed by Land Acquisition Collector. Para 7 of the counter affidavit reads as under:

“7. That in the present case, the possession of the Khasra No. 227 (1-12) was taken and handed over to the beneficiary department on 24.06.1980. However, compensation with respect to the above mentioned lands was not paid to the recorded owners. It is pertinent to mention here that the present petitioners have not been filed any document to show their ownership and have also not mentioned the extent of land which the petitioners are claiming to be owned by them.”

10. The case of the petitioners is fully covered by a decision rendered by the Apex Court in the case of **Pune Municipal Corporation (Supra)**, as compensation has been paid to the petitioners. Para 14 to 20 read as under:

“14. Section 31(1) of the 1894 Act enjoins upon the Collector, on making an award under Section 11, to tender payment of compensation to persons interested entitled thereto according to award. It further mandates the Collector to make payment of compensation to them unless prevented by one of the contingencies contemplated in sub-section (2). The contingencies contemplated in Section 31(2) are: (i) the persons interested entitled to compensation do not consent to

receive it (ii) there is no person competent to alienate the land and (iii) there is dispute as to the title to receive compensation or as to the apportionment of it. If due to any of the contingencies contemplated in Section 31(2), the Collector is prevented from making payment of compensation to the persons interested who are entitled to compensation, then the Collector is required to deposit the compensation in the court to which reference under Section 18 may be made.

15. Simply put, Section 31 of the 1894 Act makes provision for payment of compensation or deposit of the same in the court. This provision requires that the Collector should tender payment of compensation as awarded by him to the persons interested who are entitled to compensation. If due to happening of any contingency as contemplated in Section 31(2), the compensation has not been paid, the Collector should deposit the amount of compensation in the court to which reference can be made under Section 18.

16. The mandatory nature of the provision in Section 31(2) with regard to deposit of the compensation in the court is further fortified by the provisions contained in Sections 32, 33 and 34. As a matter of fact, Section 33 gives power to the court, on an application by a person interested or claiming an interest in such money, to pass an order to invest the amount so deposited in such government or other approved securities and may direct the interest or other proceeds of any such investment to be accumulated and paid in such manner as it may consider proper so that the parties interested therein may have the benefit therefrom as they might have had from the land in respect whereof such money shall have been deposited or as near thereto as may be.

17. While enacting Section 24(2), Parliament definitely had in its view Section 31 of the 1894 Act. From that one thing is clear that it did not intend to

equate the word “paid” to “offered” or “tendered”. But at the same time, we do not think that by use of the word “paid”, Parliament intended receipt of compensation by the landowners/persons interested. In our view, it is not appropriate to give a literal construction to the expression “paid” used in this sub-section (sub-section (2) of Section 24). If a literal construction were to be given, then it would amount to ignoring procedure, mode and manner of deposit provided in Section 31(2) of the 1894 Act in the event of happening of any of the contingencies contemplated therein which may prevent the Collector from making actual payment of compensation. We are of the view, therefore, that for the purposes of Section 24(2), the compensation shall be regarded as “paid” if the compensation has been offered to the person interested and such compensation has been deposited in the court where reference under Section 18 can be made on happening of any of the contingencies contemplated under Section 31(2) of the 1894 Act. In other words, the compensation may be said to have been “paid” within the meaning of Section 24(2) when the Collector (or for that matter Land Acquisition Officer) has discharged his obligation and deposited the amount of compensation in court and made that amount available to the interested person to be dealt with as provided in Sections 32 and 33.

18. 1894 Act being an expropriatory legislation has to be strictly followed. The procedure, mode and manner for payment of compensation are prescribed in Part V (Sections 31-34) of the 1894 Act. The Collector, with regard to the payment of compensation, can only act in the manner so provided. It is settled proposition of law (classic statement of Lord Roche in Nazir Ahmad[1]) that where a power is given to do a certain thing in a certain way, the thing must be done in that way or not at all. Other methods of performance are necessarily forbidden.

19. Now, this is admitted position that award was made on 31.01.2008. Notices were issued to the landowners to receive the compensation and since they did not receive the compensation, the amount (Rs.27 crores) was deposited in the government treasury. Can it be said that deposit of the amount of compensation in the government treasury is equivalent to the amount of compensation paid to the landowners/persons interested? We do not think so. In a comparatively recent decision, this Court in *Agnelo Santimano Fernandes*[2], relying upon the earlier decision in *Prem Nath Kapur*[3], has held that the deposit of the amount of the compensation in the state's revenue account is of no avail and the liability of the state to pay interest subsists till the amount has not been deposited in court.

20. From the above, it is clear that the award pertaining to the subject land has been made by the Special Land Acquisition Officer more than five years prior to the commencement of the 2013 Act. It is also admitted position that compensation so awarded has neither been paid to the landowners/persons interested nor deposited in the court. The deposit of compensation amount in the government treasury is of no avail and cannot be held to be equivalent to compensation paid to the landowners/persons interested. We have, therefore, no hesitation in holding that the subject land acquisition proceedings shall be deemed to have lapsed under Section 24(2) of the 2013 Act."

11. Having regard to the fact that the award having been announced more than five years prior to the commencement of the 2013 Act and compensation having been not tendered to the petitioners nor a reference having been made prior to the commencement of the 2013 Act, the petitioners are entitled to a declaration that the acquisition

proceedings initiated under the Land Acquisition Act, 1894 with regard to the subject land are deemed to have lapsed. It is ordered accordingly. However, the petitioner would only be entitled to compensation under the New Act, as prayed, in view of the fact that the possession of the subject land has been taken and the same has been put to use.

12. The writ petition, is accordingly disposed.

G.S.SISTANI, J.

SANGITA DHINGRA SEHGAL, J

JANUARY 29, 2018
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