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

% *Date of Judgment: 23rd January, 2018*

+ W.P.(C) 7622/2015

BHARAT SINGH & ORS. Petitioners
Through: Mr.Anuroop P.S., Advocate

versus

LAND ACQUISITION COLLECTOR EAST & ANR Respondents
Through: Mr.Yeeshu Jain, Standing Counsel
with Ms. Jyoti Tyagi, Advocate for
L&B/ LAC.
Ms. Shobhna Takiar, Advocate for
DDA.

CORAM:

HON'BLE MR. JUSTICE G.S.SISTANI

HON'BLE MS. JUSTICE SANGITA DHINGRA SEHGAL

G.S.SISTANI, J. (ORAL)

1. Ms. Takiar, counsel for the DDA submits that she has received the counter affidavit, a copy of which has been examined by the Court. Let the counter affidavit be filed in the Registry and placed on record.
2. This is a petition under Article 226 of the Constitution of India filed by the petitioners. The petitioners seek a declaration that the acquisition proceedings initiated in respect of the land of petitioners comprised in Khasra nos.3/2 min (1-6), 24/2 min(1-10), 25(2-4), 26/1(2-4), 27/1(0-7), 28/2(3-3), 351/1(0-4), 352/1(1-5), 356(3-5),

486(0-5), 487/1(4-5) and 488/1(1-16) total measuring 21 bighas 14 biswas, situated in the revenue estate of village Molarband, Delhi (hereinafter referred to as 'the subject land') is deemed to have 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 the '2013 Act'), as neither compensation has been tendered nor possession of the subject land has been taken.

3. The necessary facts to be noticed for disposal of this writ petition are that a notification under Section 4 of the Land Acquisition Act, 1894 (hereinafter referred to as 'the Act') was issued on 06.04.1964. A declaration under Section 6 was made on 15.06.1965 and an Award bearing no.1934D/81-82 was rendered on 19.10.1981.
4. Learned counsel for the petitioners submits that even as per the counter affidavit filed by the LAC and DDA, possession of the subject land has not been taken, thus the case of the petitioners would be fully covered by the decision rendered by the Supreme Court in the case of ***Pune Municipal Corporation & Anr. v. Harakchand Misirimal Solanki & ors.***, reported at (2014) 3 SCC 183.
5. Counsel for the LAC submits that compensation in part of the land was sent to the RD.
6. We have heard the learned counsel for the parties. It would be useful to extract para 4A of the counter affidavit filed by the LAC, which reads as under:

“4A. That the answering respondent has given a table to show the recorded owner and their respective share as follows:

Khasra No.	Owner	Share
351/1(0-4)	Naubat &	
352/1(1-05)	Raghubir	½ share each
487/1(4-05)	-do-	

(Compensation not paid & possession not taken)

356 (3-05)	Bharat Singh	
	Charat Singh	1/3 rd each
	Kishan Singh	

(Compensation paid Rs.3450/- each on 2.3.04, possession not taken)

3/2 (2-07)	Des Raj S/o Misri	Full owner
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(Possession of 3/2 min (0-01) taken on 10.4.1997 and compensation of Rs.18112/- for the same paid to Des Raj on 26.4.2007 and rest of land as claimed in the writ petition 3/2 min. (1-06), possession not taken)

24/2 (4-10)	Shadi Ram S/o Mangat	
25 (2-04)	Balbir –do-	1/7 th each
26/2 (2-04)	Raghubir –do-	
27/1(0-07)	Bhupinder –do-	
28/2 (3-03)	Roop Chand –do-	
	Sant Kumar –do-	
	Hari Prakash –do-	

(Possession of 24/2 min (3-00) taken on 10.4.1997 and rest of land as claimed in the writ petition 24/2 min (1-10), possession not taken and for rest of the khasra number, possession not taken)

488/1 (1-16)	Naubat &	
	Raghubir	½ share each

(Possession not taken, compensation sent in RD due to dispute)

486 (0-05)	Bharat Singh	
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Charat Singh
Chotey Singh 1/6th share each
Naubat S/o Muse
Raghubir S/o Dhan Sahai 1/4th share each
(Possession not taken, compensation sent in RD due to dispute)”

7. Reading of para 4A of the counter affidavit makes it abundantly clear that neither possession of the subject land has been taken nor the compensation has been tendered. In fact, the compensation pertaining to Khasra nos.488/1(1-16) and 486(0-05) has been sent to RD. No compensation has been deposited with respect to Khasra nos.488/1 and 486.
8. In our view, the case of the petitioners would be covered by the decision rendered by the Apex Court in the case of ***Pune Municipal Corporation & Anr.***(supra). In paras 14 to 20, it has been held 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.”

9. Taking into consideration the submissions made and the stand taken by the LAC in the counter affidavit, we are of the considered view that the necessary ingredients for the application of Section 24(2) of the 2013 Act, as has been interpreted by the Supreme Court of India, stand satisfied.
10. Since the award having been announced more than five years prior to the commencement of the 2013 Act and, having regard to the stand taken by the LAC and the fact that the compensation has not been tendered to the petitioners, 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.

11. The petition stands disposed of.

G.S.SISTANI, J.

SANGITA DHINGRA SEHGAL, J

JANUARY 23, 2018

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