

ARULMIGHU LAKSHMINARASIMHASWAMY TEMPLE  
SINGIRIGUDI

A

v.

UNION OF INDIA AND ORS.

SEPTEMBER 2, 1996

B

[K. RAMASWAMY AND G.B. PATTANAİK, JJ.]

*Land Acquisition Act, 1894 :*

*Ss.30, 31—Compensation—Dispute as to the person entitled to receive compensation—Land Acquisition Officer to make a reference to the court and to deposit the compensation amount in the Reference Court—In the instant case deposit is already made—Land Acquisition Officer directed to make a reference to the Court.*

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CIVIL APPELLATE JURISDICTION : Civil Appeal No. 12001 of 1996.

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From the Judgment and Order dated 30.1.96 of the Madras High Court in W.A. No. 1358 of 1995.

V. Prabhakar, G. Sai Kumar and S. Rajappa for the Appellants.

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K. Swami for the Respondents.

The following Order of the Court was delivered :

Leave granted.

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On the admitted facts, the approach of both the learned single Judge and of the Division Bench in the writ petition and the W.A. No. 1358/95 indicated in the impugned order made on January 30, 1996 cannot be sustained. Notification under Section 4(1) of the Land Acquisition Act, 1894 was published on June 4, 1987 acquiring the land in question for the public purpose. After compliance of the notice under Sections 9 and 10 of the Act, and enquiring the award came to be passed by the Land Acquisition Officer on February 7, 1990. The possession thereafter, was taken on October 30, 1990. The question, therefore, would be : what would be the proper procedure to be adopted, in case of dispute as to the title of the

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- A land acquired under the Act? The learned single Judge declared title of the petitioner in the writ petition and the Division Bench directed civil Court to decide the title. Both views are obviously erroneous in law. The Land Acquisition Officer has to determine the extent of the land, the persons entitled to compensation and the compensation to be determined under Section 23 (1) of the Act. If he finds that there is any dispute as to the person entitled to receive the compensation, necessarily he has to deposit the amount under Section 31 of the Act into the court to which reference would lie. On such a dispute having arisen, he has to make a reference to the court under Section 30 of the Act to decide the dispute between the competing persons who set up rival title to the compensation.
- B Under those circumstances, the only legal course open is that a direction be issued to the Land Acquisition Officer to make a reference under Section 30 to decide the *inter se* title to receive the compensation either by the appellant or by the 4th respondent, as the case may be and the reference Court would decide the matter in accordance with law.
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- D The appeal is accordingly allowed. The orders passed by the learned single Judge and the Division Bench stand set aside. The Land Acquisition Officer is directed to make a reference to the Court under Section 30. We are informed that the compensation has already been deposited in interest earning security. Therefore, if the parties so require, the reference Court may be approached in this behalf or the order of the learned single Judge may continue in force till the reference is decided in accordance with law. The latter would be the appropriate course. No costs.
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Appeal allowed.