

SUNIL KUMAR JAIN

v.

KISHAN AND ORS.

APRIL 27, 1995

[K. RAMASWAMY AND B.L. HANSARIA, JJ.]

Land Acquisition Act, 1894 :

Ss. 4, 18, 30—Agreement of sale subsequent to the notification u/s.4(1)—Whether Government bound by such agreement :

Certain lands were acquired and the Collector made an award for a sum of Rs 38,500. Petitioner claimed higher amount and a reference under s.18 of the Land Acquisition Act was made. The Civil Court disbelieved the agreement of sale put forth by the petitioner and ordered the reference in favour of respondents. In appeal, the High Court held that the said agreement was in violation of s.4 of the Delhi Land (Restriction & Transfer) Act, 1972 and confirmed the findings of the Reference Court. Hence this Special Leave Petition.

Dismissing the petition, this Court

HELD : 1. In a reference, the dispute is to the title to receive the compensation. It is settled law that the agreement of sale does not confer title and, therefore, the agreement holder, even assuming that the agreement is valid, does not acquire any title to the property. It is seen that the agreement is subsequent to the notification under s.4(1). The Government is not bound by such an agreement. The *inter-se* dispute is only with respect to the title as on the date of notification under s.4(1). The respondent is the undoubted owner of the property as per s.4 notification and that, therefore, the compensation was directed to be paid to the respondent.

[856-E, F]

2. However, if the petitioner has got any claim under s.30 of the Land Acquisition Act, it is open to him to take such action as open to him under law. [856-G]

CIVIL APPELLATE JURISDICTION : Special Leave Petition (C)
No. 9886 of 1987.

A From the Judgment and Order dated 7.5.87 of the Delhi High Court in R.F.A. No. 292 of 1987.

V.J. Francis for the Petitioner.

The following Order of the Court was delivered :

B

Notification under s.4(1) of the Land Acquisition Act was published on November 17, 1980 acquiring the lands in question. The Collector made an award for a sum of Rs. 38,500. Since the petitioner laid claim for a higher amount, a reference under s.18 was made. The civil court disbelieved the agreement of sale put forth by the petitioner; therefore, reference was ordered in favour of the respondents. In appeal, the High Court said that the said agreement was in violation of s.4 of the Delhi Land (Restriction & Transfer) Act, 1972 and that, therefore, the agreement is void. Accordingly, the findings of the Reference Court was accepted. Thus, this appeal by Special Leave.

C

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Learned counsel appearing for the petitioner contended that the under the agreement of sale dated 5th December, 1981 the respondents had received consideration and kept the petitioner in possession of the land and that, therefore, by operation of s.53-A of the Transfer the Property Act, the petitioner is entitled to the compensation. We are unable to agree with the learned counsel. In a reference, the dispute is to the title to receive the compensation. It is settled law that the agreement of sale does not confer title and, therefore, the agreement holder, even assuming that the agreement is valid, does not acquire any title to the property. It is seen that the agreement is subsequent to the notification under s.4(1). The Government is not bound by such an agreement. The *inter-se* dispute is only with respect to the title as on the date of notification under s.4(1). The Respondent is the undoubted owner of the property as per s.4 notification and that, therefore, the compensation was directed to be paid to the respondent since he is one of the members. We cannot find any illegality in the order passed by the Courts. However, if the petitioner has got any claim under s.30 of the Land Acquisition Act, it is open to him to take such action as open to him under law.

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The Special Leave Petition is accordingly dismissed.