

NON-REPORTABLE  
IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION  
CIVIL APPEAL NO. \_\_\_\_\_ OF 2022  
(Arising from SLP(Civil) No.19173/2021)

Patel Kodarbhai Mohanbhai

...Appellant

Versus

Sonata Ceramica Pvt. Ltd. and Others

...Respondents

J U D G M E N T

M.R. SHAH, J.

1. Leave granted.
2. Feeling aggrieved and dissatisfied with the impugned order dated 26.10.2021 passed by the High Court of Gujarat at Ahmedabad in Civil Application No. 1/2021 in First Appeal No. 479/2021, by which the High Court has allowed the said Civil Application preferred on behalf of respondent No. 1 herein permitting it to be impleaded in First Appeal No. 479/2021 filed by the State of Gujarat and Others, the original claimant – original landowner (respondent No. 4 in Civil Application) has preferred the present appeal.

3. The appellant herein was the original owner of the land in question acquired by the State Government under the provisions of the Land Acquisition Act, 1894 (hereinafter referred to as the 'Act 1894'). The Land Acquisition Officer declared the award with respect to the land acquired on 15.09.2010. At the instance of the appellant herein claiming to be the original landowner, a reference was made under Section 18 of the Act 1894 before the learned Reference Court for enhancement of the amount of compensation. The said reference came to be allowed by the learned Reference Court vide judgment and award dated 31.03.2018. The learned Reference Court awarded additional compensation to the appellant herein.

3.1 Respondent No.1 herein claiming to be the subsequent purchaser of the land acquired made an application in the disposed of reference case raising objection not to pay the awarded amount to the appellant.

3.2 Feeling aggrieved and dissatisfied with the judgment and award passed by the learned Reference Court, respondent Nos. 2 to 4 herein – State of Gujarat and its authorities have preferred First Appeal No. 479/2021 before the High Court. In the First Appeal, the State filed a civil application for stay. By an interim order dated 16.02.2021, subsequently modified vide order dated 26.02.2021, the appellant herein was permitted to withdraw 50% of the amount deposited by the State and the remaining 50% was directed to be deposited/invested in

cumulative fixed deposit in any nationalised bank. Respondent No.1 herein apprehended that as the appellant herein shall withdraw 50% of the amount of compensation as per interim order dated 16.02.2021, further modified vide order dated 26.02.2021, and according to respondent No.1 herein claiming to be the subsequent purchaser, it is entitled to the entire amount of compensation being the subsequent purchaser of the entire land purchased vide five registered sale deeds dated 14.07.2014, respondent No.1 herein submitted an application before the authority/Collector for making reference under Section 30 of the Act 1894. Simultaneously, respondent No.1 herein also preferred the present Civil Application No. 1/2021 permitting it to be joined as party-respondent in First Appeal No. 479/2021. By the impugned order dated 26.10.2021, the High Court has permitted respondent No.1 herein to be joined as party-respondent in the First Appeal preferred by the State.

3.3 Being aggrieved by order dated 26.10.2021 permitting respondent No.1 herein to be joined as party-respondent in First Appeal No. 479/2021 filed by the State, the original claimant – original landowner – respondent No. 1 in the First Appeal has preferred the present appeal.

4. We have heard Shri Purvish Jitendra Malkan, learned Advocate appearing for the appellant and Shri Harin P. Raval, learned Senior Advocate appearing on behalf of respondent No.1. We have gone through the application filed by respondent No.1 herein before the High

Court to implead it as party-respondent in the First Appeal filed by the State. Considering the averments in the application for impleadment, it can be seen that the dispute can be said to be apportionment of the amount of compensation. Considering the averments in the application, it is the case on behalf of respondent No.1 herein – original applicant that it has purchased the acquired land by five different registered sale deeds dated 14.07.2014 and therefore it is entitled to the enhanced amount of compensation as against the appellant herein. On the aforesaid ground alone, respondent No.1 herein – original applicant cannot be permitted to be impleaded in the First Appeal preferred by the State challenging the judgment and award passed by the Reference Court enhancing the amount of compensation which, as such, was in the reference at the instance of the appellant herein – original landowner. If there is any dispute with respect to apportionment of the amount of compensation, the same has to be adjudicated upon and/or resolved as per Section 30 of the Act 1894. Section 30 of the Act 1894 reads as under:

“30. Dispute as to apportionment. - When the amount of compensation has been settled under section 11, if any dispute arises as to the apportionment of the same or any part thereof, or as to the persons to whom the same or any part thereof, is payable, the Collector may refer such dispute to the decision of the Court.”

5. At this stage, it is required to be noted that as such respondent No.1 herein has already submitted an application to the Collector raising

dispute as to the apportionment of the amount of award under Section 30 of the Act 1894. However, it is the case on behalf of respondent No.1 herein – original applicant that in the meantime the appellant herein will withdraw 50% of the amount of compensation as per the order passed by the High Court in Civil Application No. 1/2020 in First Appeal No. 479/2021 dated 16.02.2021, further modified vide order dated 26.02.2021. The aforesaid can be taken care of by ordering that till the proceedings under Section 30 of the Act 1894 are terminated and/or disposed of and the dispute with respect to apportionment of the amount of compensation is resolved, the appellant herein cannot be permitted to withdraw the amount of compensation as the apportionment of the amount of compensation can always be subject to the ultimate outcome of the proceedings under Section 30 of the Act 1894.

6. In view of the above, the impugned order passed by the High Court dated 26.10.2021 in Civil Application No. 1/2021 in First Appeal No. 479/2021 permitting respondent No.1 herein – original applicant to be impleaded as party-respondent in the said First Appeal is hereby quashed and set aside. However, the same shall be without prejudice to the rights and contentions of the respective parties in the pending proceedings under Section 30 of the Act 1894. It is directed that the appellant herein shall not be permitted to withdraw the amount of compensation as per order passed by the High Court dated 16.02.2021,

further modified by order dated 26.02.2021, passed in Civil Application No. 1/2020 till the conclusion of the proceedings under Section 30 of the Act 1894. It is directed that the entire amount of compensation deposited by the State shall be invested in the name of the Nazir of the Reference Court in cumulative fixed deposit in any nationalised bank, initially for a period of three years, to be further renewed from time to time, subject to the ultimate outcome of the proceedings under Section 30 of the Act 1894. It is ordered that in the proceedings under Section 30 of the Act 1894, the order of apportionment is passed and the person/party in whose favour the order is passed shall be permitted to withdraw 50% of the amount of compensation as per the order passed by the High Court dated 16.02.2021, further modified vide order dated 26.02.2021, passed in Civil Application No. 1/2020 in First Appeal No. 479/2021. It is further observed and clarified that proceedings under Section 30 of the Act 1894 and/or any proceedings arising out of the proceedings under Section 30 of the Act 1894 shall be decided and disposed of in accordance with law and its own merits and without in any way being influenced by the present order and the present order be treated to have been passed by way of interim arrangement only.

7. The present appeal stands disposed of in terms of the above order.

.....J.  
[M.R. SHAH]

NEW DELHI;  
SEPTEMBER 23, 2022

.....J.  
[PAMIDIGHANTAM SRI NARASIMHA]