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**(2004) 07 AP CK 0077**  
**In the Andhra Pradesh High Court**  
**Case No : CRP No. 1996 of 2004**

Mahabubnagar Housing Board, Allottees and Agreement  
Purchasers Welfare Association

APPELLANT

Vs

Land Acquisition Officer/Revenue Divisional Officer and  
Others

RESPONDENT

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**Date of Decision :** 05-07-2004

**Acts Referred:**

Land Acquisition Act, 1894 — Section 18, 3, 50(2)

**Citation :** (2004) 5 ALD 235

**Hon'ble Judges :** C.Y. Somayajulu, J

**Bench :** Single Bench

**Advocate :** A. Giridhar Rao, for the Appellant; J. Prabhakar, SC for APHB for Respondent No. 2 and A. Narasimha Reddy, for the Respondent

**Final Decision :** Dismissed

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## Judgement

C.Y. Somayajulu, J.—In a reference u/s 18 of the Land Acquisition Act, 1894 (the Act), by the owner of the land acquired for the benefit of the A.P. Housing Board, some of the allottees from it formed into the revision petitioner association and filed a petition to bring the revision petitioner on record in the said O.P. and the same was dismissed by the order under revision.

2. The averments in brief in the affidavit of the General Secretary of the Revision petitioner society, filed in support of IA. No.267 of 2003, are the revision petitioner society was registered in 2003 for the welfare of the allottees and agreement holders from the Housing Board, Mahabubnagar, who are the ultimate beneficiaries of the land acquired by the Housing Board. Since the allottees, while taking possession of the allotted houses agreed to pay the proportionate amount of compensation fixed by the Reference Court, allottees are interested persons and hence are necessary parties to the O.P and so, the revision petitioner may be brought on record to contest the O.P. First respondent filed counter contending that the petitioner is not a necessary and proper party to the

petition. Third and fourth respondents also filed their counters contesting the petition. No evidence either oral or documentary was adduced by the parties. As stated earlier, the Court below dismissed the petition by the order under revision.

3. The point for consideration is whether petitioner is a necessary and proper party to the O.P filed by the owners of the acquired land seeking enhanced compensation u/s 18 of the Act?

4. The contention of the learned Counsel for the revision petitioner is that since the allottees from the Housing Board, who are the members of the revision petitioner's association, are the persons that would ultimately be liable to pay the cost of acquisition to the Housing Board, in order to protect the interests of the members of petitioner society, it is just and proper, if not necessary, to implead the revision petitioner as a party to the proceedings, to overcome the eventuality of the Housing Board not taking proper defences that are available. It is his contention that the allottees from the Housing Board, who are the members of the revision petitioner's Society would be put to great hardship and prejudice, if the Reference Court were to enhance the compensation payable to the owners of the acquired property, because it is they that have to ultimately pay the amount to them through the Housing Board. It is his contention that the fact that a petition filed by another association was dismissed is not and cannot be a ground for rejection of the revision petitioner's prayer to implead it as a party. He placed strong reliance on *Neyvely Lignite Corporation Limited v. Special Tahsildar (Land Acquisition), Neyvely; 1995 (1) ALT 24 (SC)*, *Himalaya Tiles and Marble (P) Ltd. Vs. Francis Victor Coutinho (dead) by LR's.*, ; *Sunder Lal Vs. Paramsukhdas*, ; and *Achanta Seetharamayya Vs. Bhamidipati Gopalakrishna Murthy and Others*, , in support of the contentions raised by him.

5. The contention of the learned Counsel for the respondents is that petitioner is neither a necessary nor proper party to the proceedings u/s 18 of the Act because it is not the beneficiary, but is an association, in which the allottees of the beneficiary are members. He relied on *Hindu Kanya Maha Vidyalaya, Jind and Another Vs. Municipal Committee, Jind and Others*, in support of his contention that allottees or alienees from the beneficiary are not necessary parties and in any event, since neither Section 3(b) nor Section 50 of the Act apply to the revision petitioner, or its members, it is neither a necessary nor proper party to the proceedings u/s 18 of the Act. It is also their contention that if allottees of a beneficiary are allowed to come on record one allottee after the other may want to come on record and contest the proceedings which would delay the disposal of the case and ultimately the Housing Board may be obliged to pay a huge amount towards interest. It is further contended that the decisions relied on by the learned Counsel for revision petitioner have no application to the facts of this case.

6. The point for consideration is whether the revision petitioner is a "person interested" and can be brought on record as a party to the O.P.?

7. A close and careful reading of the provisions of the Act shows that a "person interested" or a "person for whose benefit the land is acquired" are the only persons that have a say in a proceeding u/s 18 of the Act. "person interested" is defined by Section 3(b) of the Act as a person claiming an interest in compensation to be made on account of the acquisition of land under this Act, and includes a person interested in an easement affecting the land. Since petitioner, admittedly, has no right in receiving compensation to be made on account of acquisition of the land in question, it cannot be said that the petitioner is a "person interested" in the acquired land within the meaning of Section 3(b) of the Act.

8. Section 50(2) of the Act, reads:

"In any proceedings held before a Collector or a Court, in such cases, the local authority or Company concerned may appear and adduce evidence for the purpose of determining the amount of compensation; provided that no such local authority or Company shall be entitled to demand a reference u/s 18".

Petitioner admittedly is an Association formed by the allottees of the land or houses by the A.P Housing Board for whose benefit the land was acquired. So, as per Section 50(2) of the Act, it is only the Housing Board that can take part in the proceedings and adduce evidence with regard to the compensation that can be paid to the owners of the land.

9. Since there is no other provision in the Act which entitles an allottee from the beneficiary being brought on record, revision petitioner's claim for being brought on record need not be taken into consideration, in view of the ratio in Hindu Kanya Maha Vidyalaya case (supra) the facts in which are identical to the facts of this case.

10. In none of the cases relied upon by the learned Counsel for the revision petitioner, question whether an allottee from a beneficiary has a right to take part in the proceedings, was considered as in Hindu Kanya Maha Vidyalaya case (supra). So, none of cases relied on by the learned Counsel for revision petitioner are of help to decide this revision.

11. Therefore, I find no grounds to interfere with the order of the Reference Court dismissing the petition of the revision petitioner.

12. Hence, the civil revision petition is dismissed. No costs.