A BANWAR LAL & ORS.

*v.*

G. KALAVATHI (DEAD) BY LRS. & ORS.

(Civil Appeal Nos. 2200-2201 of 2001)

APRIL 16, 2008

B **[B.N. AGRAWAL, ALTAMAS KABIR & G.S. SINGHVI, JJ.]**

*A.P. Land Encroachment Act, 1905 – s. 6 – Owner and possessor of land leasing out the land to a Company – Notice* C *under s. 6 by Revenue Officer to vacate land – Challenge to – Notices quashed with leave to the Government to establish its title – Writ appeal – Direction by Division Bench of High Court to maintain status quo for three months – However, Authorities carrying out constructions over the said land – Contempt petition – Upheld by Division Bench of High Court and* D *contemnors directed to pay compensation @ of Rs.5,000/- per sq. yard to petitioners – Justification of – Held: Construction work was not carried on during the period the order of status quo was in force – Contempt petition was filed almost four years after the order of status quo ceased to operate – Therefore,* E *findings of courts below regarding contempt of court alleged to have been committed by contemnors set aside – 19 acres of land has been utilised for construction of ministers' quarters, direction to restore the land to the owners would cause great hardship to Authorities –Thus, in view of the assessment made* F *by State Authorities, compensation awarded, enhanced to Rs.15,000/- per sq. yard.*

**The predecessor-in-interest of the respondents in Civil Appeal Nos. 2200-2201 of 2001 became absolute owner and possessor of 10 acres of land in Survey 129/ 36/1. The original owner-VS had acquired the said property by a patta issued by the Authorities in the year 1930. The property is bounded on the North by a Government land; on the South by Road No. 13; on the East by land in Survey No. 129/75 belonging to M/s**

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Hyderabad Industries Limited and in the West by the land belonging to K in Survey No. 129/36. Respondent No.1 leased out the said land to M/s Hyderabad Industries Limited by a registered lease deed.

The Mandal Revenue Officer issued a notice to the respondent No.1 u/s 6 of the A.P. Land Encroachment Act, 1905 to vacate the land within 3 days from the date of receipt of the notice. The respondents then filed writ petition challenging the notice. The Single Judge of High Court quashed the writ petition with leave to the Government to file a suit to get its title established. The Mandal Revenue Officer filed Writ Appeal. The Division Bench of the High Court dismissed the writ appeal directing the status quo to be maintained for a period of three months from the date of the order to enable the Government to take appropriate steps in the matter. However, the Government did not take any steps to establish its title over the said land. Appellant-Authorities made constructions over the land in question. Respondent No.1 then filed a contempt petition on the ground of disobedience of the orders passed by the High Court. On the other hand, the State initiated proceedings against the respondent No.1 u/s 8 of the A.P. Land Grabbing (Prohibition) Act, 1982 alleging that the land in question under the occupation of the respondent No.1 was a government land. The Division Bench of High Court held that it was proved that the Mandal Revenue Officer and also the other superior authorities disobeyed the orders passed by the High Court and as such committed contempt of court. It observed that no purpose would be served to the respondent if direction is given to handover the vacant possession of the property. The court directed the appellant-authorities to pay compensation to the respondent at the rate of Rs.5,000/- per sq. yard as valued by the State in the application filed u/s.8 of the A.P. Land Grabbing (Prohibition) Act against the predecessor-in-

A interest of the respondent, in case the land grabbing case was dismissed in favour of the predecessor-in-interest of the respondent. Hence the present appeals.

Appellants contended that both the Single Judge and also the Division Bench of the High Court failed to take B notice of the fact that the land on which the construction work was carried on was not the land which the respondent No.1 had purportedly acquired from P and that the same had been leased out to M/s. Hyderabad Industries Limited; that since the said land was under the C occupation of M/s. Hyderabad Industries Limited, the question of making constructions on the said land did not arise; that having regard to the report of the Commissioner appointed by the High Court in the contempt proceedings, it would be evident that the land D of the respondent No.1 could not be correctly identified in relation to the map of the site plan annexed to the title deeds and also the lease deed executed by her; that in any event, the land under the occupation of M/s. Hyderabad Industries Limited, measuring 13 acres and E 35 guntas was bounded on all sides by a pucca compound wall; that the land leased by the respondent No.1 to the company would be within the compound wall of the company, and, accordingly, the question of making any construction thereupon, which forms the basis of the F contempt petition, did not arise; that the High Court exceeded its jurisdiction in assessing compensation to be paid in respect of the lands belonging to the respondent No.1; and that there was no subsisting order of restraint or any direction given by High Court, which if G violated, would have attracted the provisions relating to contempt of Court.

Respondents contended that there was no ground to interfere with the decision arrived at by High Court in the contempt proceedings; that the basic premise of the H case made out on behalf of the appellants was fallacious

on account of mistaken identity of the plot belonging to the appellants in Civil Appeal No.2202 of 2001; that the said fact was clear from the counter affidavit filed by the Mandal Revenue Officer in Writ Petition filed by the respondent no 1; that the affidavit of the Mandal Revenue Officer in juxtaposition with the report of the Survey Commissioner appointed by the High Court, would reveal that the land which was leased by respondent no 1 to the company was outside the boundary wall which had been erected by the company around the lands acquired by it through 3 separate sale deeds; that the High Court rightly found that the construction work which was being undertaken for construction of Ministers' quarters, was also being carried on in the 10 acres of land which had been leased by respondent no 1 to M/s Hyderabad Industries Limited; that there was a genuine dispute regarding title and the writ petitioner could not have been evicted from the land except in due process of law; that once the notice u/s 6 was quashed by the High Court the petitioner continued to enjoy absolute rights as the owner of the said property; that having failed in their attempts to evict the writ petitioner from the land, the authorities filed a complaint against the writ petitioner; that the High Court erroneously directed that compensation @ of Rs.5,000/- per square yard be paid to the petitioner, in the event the land grabbing case was dismissed; that the High Court had erred in restricting payment of compensation till after the decision in the land grabbing case; and that the appellants had themselves assessed the value of the lands to be more than Rs.20,000/- per square yard, hence the compensation amount decided by High Court was not commensurate with the value assessed by appellants themselves, therefore, should be increased.

Disposing of the appeals, the Court

HELD 1.1 The reasoning of the Division Bench of the High Court in the impugned judgment in holding that the

A appellants had committed contempt of the said order dated 14.9.1995 cannot be accepted. There is no ambiguity that while the direction to maintain status quo for three months were given on 14.9.1995, the contempt petition was filed only in October, 1999. The period for B which status quo was directed to be maintained came to an end on 14.12.1995 and there is nothing on record to indicate that the order of status quo was ever extended. The fact that construction was going on in the land in question came to the knowledge of the respondents on C 19.11.1999 when the respondent no 1 visited the property and thereafter steps were set in motion for filing of the contempt petition. Since there is nothing to indicate whether the construction work was being carried on during the period when the order of status quo was in D force and the contempt petition was filed almost four years after the order of status quo ceased to operate, it is difficult to appreciate as to how the Division Bench of the High Court could have found the appellants committed contempt of Court. The findings of the High Court in respect of the same must be held to be contrary to the E materials on record. Therefore, the findings of the Courts below regarding contempt of Court alleged to have been committed by the appellants are set aside. It is held that the appellants are not guilty of contempt of Court as alleged. (Paras 26 and 31) [650-B, C, D, E, F; 652-A, B]

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1.2 From the facts it is clear that M/s Hyderabad Industries Limited was in possession of five different plots of land, out of which three plots measuring 13 acres and 13 guntas had been purchased by the said company. Of G the remaining two plots, the said company was also in occupation of 10 acres of land which had been leased to it by Smt. G. Kalavathi. It is also apparent that the lands enclosed within the boundary wall of the guest house of M/s Hyderabad Industries Limited were the lands forming the subject matter of the three sale deeds. In other words,

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**the land leased to the company by Smt. G. Kalavathi was part of the 19 acres of land which was the subject matter of the notice issue by the Mandal Revenue Officer on 20.6.1986 under Section 6 of the Andhra Pradesh Land Encroachment Act, 1905, which was quashed in Writ Petition and had been utilised for constructing the ministers' quarters. (Para 28) [650-G, H; 651-A, B, C]**

**1.3 It is clear that the said 19 acres of land have already been utilised for construction of ministers' quarters and as rightly pointed out by the High Court would cause great hardship to the Authorities in the event a direction was given to them to restore the land to the respondents. (Para 29) [651-C, D]**

**1.4 Considering the ground realities and the assessment made by the State authorities themselves, there appears to be some substance in the respondent's submissions regarding the compensation. It is directed that the compensation awarded by the Division Bench in the judgment under appeal, should be suitably increased. Thus, the compensation awarded by the Division Bench of the High Court is enhanced from Rs.5,000/- per square yard to Rs. 15,000/- per square yard. The other orders and directions given in the impugned judgment regarding payment of such compensation is not interfered with. (Paras 30, 31 and 32) [651-G; 652-A, B, C]**

CIVIL APPELLATE JURISDICTION : Civil Appeal Nos. 2200-2201 of 2001.

From the final Judgment and Order dated 19.01.2001 of the High Court of Andhra Pradesh in Contempt Application No. 1563 of 1999 & Contempt Case No. 1819 of 1999.

WITH

Civil Appeal No. 2202 of 2001.

Anoop G. Chaudhary and R.F. Nariman, Manoj Saxena,

A Rajneesh Kumar Singh, Rahul Shukla, T.V. George and A. Subba Rao for the Appearing parties.

The Judgment of the Court was delivered by

**ALTAMAS KABIR, J.** 1. These appeals by way of special B leave are directed against the judgment and order dated 19th January, 2001, passed by the Andhra Pradesh High Court in Contempt Application No. 1563 of 1999 and Contempt Case No.1819 of 1999, holding that deliberate and wilful acts of disobedience of the orders passed by the High Court, by the C Mandal Revenue Officer and also by the other superior authorities had been amply proved and as such they had committed contempt of Court. The High Court then went on to observe as follows:-

"Viewed from any angle the respondents clearly disobeyed D the orders of this Court and they committed contempt of Court. It is no doubt true that construction over the land in question has been taken place. But, what is the relief that has to be granted to the petitioner? No purpose would be served to the petitioner if there is a direction to handover E vacant possession of the property of the petitioner. The order of demolition of the buildings so constructed over the land in question and restituting the said land to the petitioner would cause great hardships to the respondents.

To put an end to the litigation once for all and since the F respondents have already made constructions over the land in question by flouting the orders passed by this Court and no purpose will be served if the respondents are directed to be punished as some of them as on today either transferred or retired from service, we feel it G appropriate to direct the respondent-authorities to pay compensation to the petitioner in the contempt case at the rate of Rs.5,000/- per sq. yard as valued by the State itself in the application filed U/s.8 of the A.P. Land Grabbing (Prohibition) Act and numbered as L.G.C. No. 25 of 2000 H or any other reasonable amount in lieu of directing the

respondents to redeliver possession of the land in question to the petitioner, in case the proceedings in L.G.C. No. 25 of 2000 go in favour of the petitioner. The question of maintainability, jurisdiction, propriety or competency to continue the case in L.G.C. No. 25 of 2000 in view of the earlier proceedings and observations made therein including the directions to institute a civil suit to adjudicate the title to the property is kept open to be considered by the Special Court. However, implementation of this order is stayed for a period of six weeks from today.

Subject to the observations indicated above, the contempt case and the contempt applications are closed. There shall be no order as to costs."

2. It is clear from the aforesaid order that instead of directing demolition of the construction already made and/or punishing the contemnors, the High Court felt it more appropriate to pass an equitable order directing payment of compensation to the petitioner in the Contempt Case at the rate of Rs.5,000/- per sq. yard as valued by the State itself in an application filed under Section 8 of the Andhra Pradesh Land Grabbing (Prohibition) Act, against the predecessor-in-interest of the respondent herein. The said direction was, however, given along with a rider that such compensation would be paid only in the event the land grabbing case was dismissed in favour of the predecessor-in-interest of the respondent herein. Certain other directions were also given regarding the question of maintainability, jurisdiction, propriety or competence of the petitioners in the land grabbing case to continue the same in view of earlier directions given by the High Court, including the direction to institute a civil suit to adjudicate the title to the property. The implementation of the order was stayed for a period of six weeks from the date of the order presumably with the intention of allowing the parties to contest the order before a higher forum.

3. It is the said order of the High Court which is the subject

A matter of challenge in these appeals.

4. While Civil Appeal Nos.2200-2201 of 2001 have been filed by the officials found by the High Court to have committed contempt of Court, Civil Appeal No.2202 of 2001 has been filed by the writ petitioner, Smt. G. Kalavathi, being aggrieved by the B amount of compensation fixed by the High Court at the rate of Rs.5,000/- per square yard.

5. In order to appreciate the submissions advanced on behalf of respective parties and the circumstances in which C the impugned order came to be passed, a brief outline of the facts leading to the passing of the said order is set out hereinbelow.

6. The predecessor-in-interest of the present respondents, one Smt. G. Kalavathi, came to be the absolute owner and D possessor of 10 acres of land in Survey No. 129/36/1, being part of Survey No.403 of Shaikpet Village, Road No. 13, Banjara Hills, Hyderabad. It was her case before the High Court that she had purchased the said property under a registered sale deed dated 11th February, 1971, from one Mr. Papaiah, who had E purchased the same by a registered sale deed dated 28th February, 1963, from one Venkat Swamy. Venkat Swamy is said to have acquired the property by a patta issued by the concerned authorities in the year 1340 Fasli, equivalent to the year 1930 of the Christian era. From the description of the property F contained in the order impugned in this appeal, the said property is bounded on the North by a Nala (Government land); on the South by Road No. 13; on the East by land in Survey No. 129/75 belonging to M/s Hyderabad Industries Limited and in the West by the land belonging to Kazi Mohd. Hussain in Survey G No. 129/36.

7. The respondent No.1 herein leased out the said land measuring ten acres to M/s Hyderabad Industries Limited by a registered lease deed dated 27th June, 1971. The Mandal Revenue Officer, Golconda Mandal, issued a notice to the H

Respondent No.1 on 20th June, 1986 under Section 6 of the A.P. Land Encroachment Act, 1905, calling upon the said respondent to vacate the land within 3 days from the date of receipt of the notice. Challenging the said notice, the respondent filed Writ Petition No. 11714 of 1986 for a declaration that the action of the Mandal Revenue Officer in issuing the notice was illegal, arbitrary and unconstitutional and also praying that the said officer be restrained from interfering with her possession over the land. The said writ petition was allowed and the notices issued by the Mandal Revenue Officer under Sections 6 and 7 of the A.P. Land Encroachment Act was quashed with leave to the Government to file a suit to get its title established.

8. The writ appeal filed by the said Government through the Mandal Revenue Officer, Golconda, Hyderabad, was also dismissed and status quo was directed to be maintained for a period of three months from the date of the judgment, namely, 14th September, 1995, to enable the Government to take appropriate steps. In spite of the time granted to the State Government to take appropriate steps in the matter, no steps were taken by the Government to establish its title over the land in question by filing a civil suit. On the other hand, it has been alleged on behalf of the respondent No.1 that as soon as she came to learn about the construction being carried on by the appellants herein over the land in question, she caused telegraphic notices to be sent to the appellant on 20th November, 1999 and 23rd November, 1999, together with a registered legal notice issued on 26th November, 1999, calling upon the appellants herein to stop the construction work on the land. As the appellant did not stop the construction work purportedly in disobedience of the orders passed by the High Court, the respondent No.1 was compelled to file a contempt petition. On this aspect of the matter, it has been observed in the impugned judgment that the State initiated proceedings against the respondent No.1 under Section 8 of the A.P. Land Grabbing (Prohibition) Act, 1982, in December, 1999, as a counter-blast to the contempt case alleging that the land in question which

A was under the occupation of the respondent No.1 was government land.

9. It is on the basis of the aforesaid facts as disclosed before it that the Division Bench came to the conclusion that the authorities started construction even after the orders passed B by the High Court in the writ petition without first approaching the civil court for declaration of its title. The Division Bench also observed that the said act of the appellants herein amply prove that there was a deliberate and wilful act of disobedience of the orders of the said Court by the Mandal Revenue Officer and C other superior authorities and as such they had committed contempt of court. It is thereafter that the observations are made relating to payment of compensation, which have been set out hereinbefore.

D 10. Appearing in support of the appeal, Mr. Anoop Chaudhary, Senior Advocate, urged that both the Single Judge and also the Division Bench of the High Court had completely failed to take notice of the fact that the land on which the construction work was carried on was not the land which the E respondent No.1 had purportedly acquired from Papaiah and that the same had been leased out to M/s. Hyderabad Industries Limited. Since the said land was under the occupation of M/s. Hyderabad Industries Limited, the question of making constructions on the said land did not arise.

11. Mr. Chaudhary then submitted that in the contempt proceedings, the High Court had appointed a Commission consisting of high-level officers of the Survey and Land Records Department, Hyderabad, to conduct a survey of the land in the presence of the Advocate-Commissioners representing the respondent No.1, who was the petitioner in the contempt case, along with his juniors. The Commissioners were directed to visit the disputed property and to report on the following items:-

(1) They shall ascertain the total extent of land covered by the map.

(2) They shall measure the total extent of land occupied and the extent of land occupied by Birla Guest House belonging to M/s. Hyderabad Industries Limited.

(3) They shall measure the extent of land that is shown in the map with brown lines indicating boundaries and whether any part thereof form part of Birla Guest House.

(4) What is the extent of land that is under the occupation of the Government and being used for construction of Minister's quarters.

12. In the report submitted by the Commissioners, it has been stated that the reference map furnished by the respondent No.1 herein to the Advocate Commissioners and passed on by them to the team of Survey Officers, does not tally with the record of measurement of Block 'S' in ward No.11 and that having regard to the said factor, the Commissioners had chosen to follow the actual state of things on the ground. After conducting a survey as directed by the High Court in the presence of the Advocate Commissioners of the respondent No.1 herein, the Commissioners observed that the total extent of land covered by the map was 31 acres and 20 guntas. It was also pointed out that the land covered by the green-coloured boundary in the reference map was identical with reference to Road No.13, Banjara Hills and the compound walls and it was found that the area consists of Ministers' quarters constructed by the Government and also the land under the occupation of Birla Guest House which has a separate compound wall. As far as the land covered by Birla Guest House built by Hyderabad Industries Limited is concerned, the same measured 13 acres and 35 guntas and had a pucca compound wall on all the sides. It is also stated that on verification of the copies of the title deeds of M/s. Hyderabad Industries Limited it was found that the company had purchased a total extent of 13 acres and 13 guntas under three documents, which, in fact, meant that the said company was in excess possession of land to an extent of 22

A guntas of land, which could not be demarcated exactly because the position on the ground was different from the boundary shown in the plan annexed to the title deeds.

On examination of the sale deeds belonging to the petitioners and the lease deed executed by Smt. G. Kalavathi
B in favour of M/s. Hyderabad Industries Limited and the plan annexed to the said documents, it was observed that the same were found to be inconsistent and not in conformity with the area shown in the reference map with brown lines. However, although, it was not possible to locate exactly the said area on the ground,
C on actual measurement the area in the reference map was found to consist of 9 acres 32 guntas.

The total extent of land under the occupation of the Government and being used entirely for construction of Ministers'
D quarters was found to be measuring 17 acres and 25 guntas and it was also indicated that it was bounded on all sides by a pucca wall, except on the north, where in a portion there was a rubble wall.

Mr. Chaudhary submitted that having regard to the report
E of the Commissioners, it would be evident that the land of the respondent No.1 could not be correctly identified in relation to the map of the site plan annexed to her title deeds and also the lease deed executed by her. In any event, the land under the occupation of M/s. Hyderabad Industries Limited, measuring
F 13 acres and 35 guntas was bounded on all sides by a pucca compound wall.

13. According to Mr. Chaudhary, the land leased by the respondent No.1 to the company would be within the compound wall of the company, and, accordingly, the question of making
G any construction thereupon, which forms the basis of the complaint petition, did not arise and both the Single Judge and the Division Bench of the High Court erred in holding otherwise.

H 14. In addition to the above, Mr. Chaudhary submitted that

the High Court in its contempt jurisdiction had adopted the mantle of Collector within the meaning of the Land Acquisition Act, 1894, and had thereby exceeded its jurisdiction in assessing compensation to be paid in respect of the lands belonging to the respondent No.1. Mr. Chaudhary, submitted that the orders both of the Single Judge and the Division Bench of the High Court stood vitiated when it travelled beyond the scope of its contempt jurisdiction.

15. Mr. Chaudhary lastly submitted that there was no subsisting order of restraint or any direction given by the High Court, which if violated, would have attracted the provisions relating to contempt of Court. However, in the absence of such injunction or direction, the High Court had wrongly exercised its contempt jurisdiction and had also travelled beyond the same, which renders the orders of the High Court vulnerable and liable to be set aside.

16. Appearing in support of the appeal preferred by Smt. G. Kalavathi and opposing those filed by the contemnors, Mr. R.F. Nariman, learned senior counsel, submitted that the basic premise of the case made out on behalf of the appellants in Civil Appeal Nos.2200-2201 of 2001 was fallacious on account of mistaken identity of the plot belonging to the appellants in Civil Appeal No.2202 of 2001. Mr. Nariman submitted that the said position would, in fact, be very clear from the counter affidavit filed by the Mandal Revenue Officer, Golconda, in Writ Petition No.11714 of 1986 which had been filed by Smt. G. Kalavathi and out of which the contempt proceedings had arisen. The learned counsel pointed out that in paragraph 2 of the counter-affidavit the Mandal Revenue Officer, Golconda, had stated that since Survey No.403 covered the entire area popularly known as Banjara Hills and Jubilee Hills area had become a paradise for speculators, the Government had appointed a Special Gr. Dy. Collector, in 1982, for identification and demarcation of government and private lands in the Banjara Hills area. It was also stated that during the survey it had come

A to light that M/s Hyderabad Asbestos Limited, who were the successors to M/s Hyderabad Industries Limited, had occupied a portion of Survey No.403 of Shaikpet village and had constructed a compound wall. It was also stated that the inquiry conducted by the aforesaid official in respect of the Banjara B Hills area reveal that the area occupied by M/s M/s Hyderabad Asbestos Limited, comprises of the following lands:-

1. Land purchased by M/s Hyderabad Asbestos Limited, from Sri Md. Azam in Sy. No.129/75 of Shaikpet Village vide document No.55/62, dated C 11.1.1962.

2. Land purchased by M/s Hyderabad Asbestos Limited from Fazal Nawaz Jung in Jubilee Hills Municipality Plot No.129/75/D1 vide document No.93, dated D 29.5.1963.

3. Land purchased by M/s Hyderabad Asbestos Limited from Fazal Nawaz Jung in Jubilee Hills Municipality Plot No.129/75/D1 under as agreement of Sale, dated 17.9.1963 (outside compound).

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4. Land occupied by M/s Hyderabad Asbestos Limited from Smt. G. Kalavathi, W/o Venkataswamy through a Lease Deed No.2021/72, dated 28.6.1971 in Sy. No.129/36/1.

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5. Land occupied by M/s Hyderabad Asbestos Limited without any authority in Sy. No.403.

17. In relation to the above it was also indicated that the purchases made in respect of serial no. 1 to 3 indicated above G were from the original owners of the land, whereas the land measuring 19 acres and 3 guntas, indicated in items 4 and 5, which had been occupied by the company, was government land in Survey No.403 of Shaikpet village which had been occupied by the said company without any authority in law. It was sought to be justified that since there were no certified records nor any H

revenue records to show the right, title and interest of the petitioner in Sub-Division No.129/36/1 in the record of Shaikpet village, and the same was found to be non-existent under the provisions of the A.P. Land Encroachment Act, 1905, resumption proceedings were initiated.

18. Mr. Nariman pointed out that as would appear from the Report of the Survey Commissioner appointed by the Court an area measuring 13 acres 13 guntas was found to have been purchased by M/s Hyderabad Industries Limited from others, which area had been enclosed by a compound wall on all sides. However, from the counter affidavit filed by the Mandal Revenue Officer in the writ petition it was evident that apart from the above land which was within their boundary walls the company was also in occupation of 10 acres of land which had been leased to it by Smt. G.Kalavathi by a lease deed dated 28.6.1971 in Survey No.129/36/1. Another plot of land measuring 9 acres and 3 guntas were also shown to be in the occupation of M/s Hyderabad Industries Limited without any authority to possess the same. Mr. Nariman pointed out that the measurements disclosed would indicate that the area covered by the three sale deeds in favour of the company measuring about 13 acres and 13 guntas had been encircled by a boundary wall. Apart from the above, a further 19 acres was also under the occupation of the said company which included the 10 acres which had been leased by Smt. G. Kalavathi in 1971. Mr. Nariman submitted that it was this 19 acres which was the subject matter of the notice issued by the Mandal Revenue Officer, Golconda, on 20.6.1986 under Section 6 of the A.P. Land Encroachment Act, 1905, which had been challenged in Writ Petition No.11714 of 1986 and had been quashed in the said proceeding.

19. Mr. Nariman urged that the said affidavit of the Mandal Revenue Officer in juxtaposition with the report of the Survey Commissioner appointed by the High Court, would at once reveal that the land which was leased by Smt. G. Kalavathi to the company was outside the boundary wall which had been

A erected by the company around the lands acquired by it through 3 separate sale deeds. It was urged that the High Court had rightly found that the construction work which was being undertaken for construction of Ministers' quarters, was also being carried on in the 10 acres of land which had been leased B by Smt. G. Kalavathi to M/s Hyderabad Industries Limited.

20. Mr. Nariman submitted that when the land in question had been settled with Vankata Swamy by a patta, the said document contained a condition that Revenue for the said land would have to be paid @ Rs.5 per acre before construction of C houses and thereafter at Rs.10 per acre after construction of houses. According to Mr. Nariman, although the claim of Papaiah in respect of the title over the land had been rejected in 1971, the Government did not take any further steps in the matter and from 1971 Smt. G. Kalavathi remained in open D possession directly and through M/s Hyderabad Industries Limited as her lessee. Mr. Nariman pointed out that it is only after the order was passed under Section 6 of the A.P. Land Encroachment Act, 1905, that the Government, in accordance with its own case, took a decision in 1986. In this regard Mr. E Nariman also pointed out that although Papaiah's claim was purported to have been rejected by the Government in 1971 there were demand notices in 1974, 1975 and 1976 which had been complied with by the writ petitioners. Mr. Nariman submitted that having regard to the aforesaid facts there was a genuine F dispute regarding title and the writ petitioner could not have been evicted from the land except in due process of law. Mr. Nariman also urged that once the notice under Section 6 referred to above was quashed by the High Court the petitioner continued to enjoy absolute rights as the owner of the said property. Mr. G Nariman submitted that having failed in their attempts to evict the writ petitioner from the land by the aforesaid means, the authorities filed a complaint against the writ petitioner under the provisions of the A.P. Land Grabbing (Prohibition) Act, 1981. Mr. Nariman urged that the High Court had quite rightly decided H the contempt petition, but had erroneously directed that

compensation be paid to the petitioner, in the event the land grabbing case was dismissed, at the rate of Rs.5,000/- per square yard, when the appellants themselves had admitted in their affidavit that the value of the lands in question would be more than Rs.20,000 per square yard at the relevant point of time. Mr. Nariman also submitted that the High Court had erred in restricting payment of compensation till after the decision in the land grabbing case, since it had found that the same had been filed only as a counter blast to the contempt petition filed by the writ petitioner.

21. Mr. Nariman submitted that there was no ground to interfere with the findings of the High Court or the decision arrived at therein in the contempt proceedings, but the compensation computed was liable to be reconsidered in the light of the admission made by the appellants themselves in Civil Appeal Nos.2200-01 of 2001.

22. Since this appeal arises out of orders passed by the High Court on the contempt petition filed on behalf of respondents in Contempt Application No. 1563 of 1999 and CC No.1819/1999, it would be in the fitness of things to first of all consider whether the High Court was justified in holding that the appellants had violated the order dated 14.9.1995 passed by the Division Bench in Writ Appeal No.742 of 1989 filed by the Mandal Revenue Officer, Golconda Mandal, Hyderabad.

23. As has been indicated hereinbefore the respondents herein challenged the notice dated 20.6.1986 issued by the Mandal Revenue Officer, Golconda Mandal, Hyderabad, under Section 6 of the A.P. Land Encroachment Act, 1905 and the learned single Judge quashed the same for the reasons indicated in his judgment and order dated 14.10.1988.

24. In the Writ Appeal filed by the Mandal Revenue Officer, Golconda Mandal, Hyderabad, the Division Bench of the High Court did not interfere with the judgment and order of the learned Single Judge upon holding that the learned Single Judge had rightly allowed the writ petition. However, while dismissing the

writ appeal the Division Bench directed the status quo to be maintained for a period of three months from the date of the order to enable the Government to take appropriate steps in the matter.

25. It is in respect of this order that the contempt petition was filed and the Division Bench also arrived at a finding that the appellant herein had committed contempt of Court by violating the said order.

26. We are unable to agree with the reasoning of the Division Bench in the impugned judgment in holding that the appellants had committed contempt of the said order dated 14.9.1995. There is no ambiguity that while the direction to maintain status quo for three months were given on 14.9.1995, the contempt petition was filed only in October, 1999. The period for which status quo was directed to be maintained came to an end on 14.12.1995 and there is nothing on record to indicate that the order of status quo was ever extended. The fact that construction was going on in the land in question came to the knowledge of the respondents herein on 19.11.1999 when Smt. G. Kalavathi visited the property and thereafter steps were set in motion for filing of the contempt petition. Since there is nothing to indicate whether the construction work was being carried on during the period when the order of status quo was in force and the contempt petition was filed almost four years after the order of status quo ceased to operate, it is difficult for us to appreciate as to how the Division Bench of the High Court could have found the appellants herein to have committed contempt of Court. The findings of the High Court in respect of the same must be held to be contrary to the materials on record.

27. This now brings us to the other limb of the order impugned in these appeals.

28. From the facts as stated hereinabove it is clear that M/s Hyderabad Industries Limited was in possession of five different plots of land, out of which three plots measuring 13 acres and 13 guntas had been purchased by the said company.

Of the remaining two plots, the said company was also in occupation of 10 acres of land which had been leased to it by Smt. G. Kalavathi. It is also apparent that the lands enclosed within the boundary wall of the guest house of M/s Hyderabad Industries Limited were the lands forming the subject matter of the three sale deeds. In other words, the land leased to the company by Smt. G. Kalavathi was part of the 19 acres of land which was the subject matter of the notice issue by the Mandal Revenue Officer, Golconda Mandal, Hyderabad, on 20.6.1986 under Section 6 of the Andhra Pradesh Land Encroachment Act, 1905, which was quashed in Writ Petition No.11714 of 1986 and had been utilised for constructing the ministers' quarters.

29. From the submissions made and also from the findings in the impugned judgment it is also clear that the said 19 acres of land have already been utilised for construction of ministers' quarters and as rightly pointed out by the High Court would cause great hardship to the respondents in the event a direction was given to them to restore the land to the respondents.

30. In the other appeal, being Civil Appeal No.2202 of 2001, filed by Smt. G. Kalavathi, one of the questions raised is whether the High Court was justified in directing payment of compensation at the rate of Rs.5000 per square yard subject to the condition that the same be paid after the determination of the land grabbing case filed by the State against the respondents under the provisions of Andhra Pradesh Land Grabbing Provisions Act, 1982. It has been urged by Mr. Nariman that the appellants had themselves assessed the value of the lands in question to be more than Rs.20,000/- per square yard in Ground 'S' of their Special Leave Petition filed in 2001 and hence the amount decided as compensation by the High Court was not commensurate with the value assessed by the appellants themselves, and should therefore, be increased.

31. Considering the ground realities and the assessment made by the State authorities themselves, there appears to be some substance in Mr. Nariman's submissions. We, therefore,

A allow the appeals in part and set aside the findings of the Courts below regarding contempt of Court alleged to have been committed by the appellants herein. We hold that the appellants are not guilty of contempt of Court as has been alleged.

B 32. We also direct that the compensation awarded by the Division Bench in the judgment under appeal, should be suitably increased in view of the assessment made by the State authorities themselves. We accordingly, enhance the compensation awarded by the Division Bench of the High Court from Rs.5,000/- per square yard to Rs.15,000/- per square yard. C We make it clear that we are not interfering with the other orders and directions given in the impugned judgment regarding payment of such compensation.

33. The appeals are disposed of accordingly. There will D be no order as to costs.

N.J. Appeals disposed of