DR. G. H. GRANT

v.

STATE OF BIHAR

March 30, 1965

[K. SUBBA RAO, J. C. SHAH AND R. S. BACHAWAT, JJ.]

Land Acquisition Act, 1894 ss. 11, 18, 30—Bihar Land Reforms Act, 1950, s. 3—Award fixing compensation for land acquired—Land Reform—Acquired land vesting in State—State whether entitled to compensation under award—Reference under s. 30 to decide claim of State whether competent.

The appellant owned certain lands in the State of Bihar in respect of which proceedings under the Land Acquisition Act were started. Under s. 11 of the Act the Collector fixed the area of the land to be acquired and the compensation payable, and also apportioned the compensation between the appellant and the members of the village community who had claimed compensation for some portions of the land. The award was then filed under s. 12. The appellant and members of the village community being dissatisfied asked the Collector to make references under s. 18 to the Court. After the award was given but before possession under s. 16 of the Act was taken the Bihar Land Reforms Act, 1950 was passed and by the operation of s. 3 of the Act the appellant's land became vested in the State. On behalf of the State an application was made to the Collector to make a reference to the Court under s. 30 of the Act claiming that the compensation under the award was payable to it as it had acquired the appellant's title to the land. The District Court held that the compensation was not payable to the State but, on appeal, the High Court held in favour of the State. The appellant came to this Court with certificate.

It was contended on behalf of the appellant that (1) the Collector had no authority to refer the matter under s. 30 after he had apportioned the amount of compensation under s. 11; (2) since title to compensation is derived solely from and on the date of the award, the notification under s. 3 of the Bihar Land Reforms Act did not deprive the appellant of his right to receive compensation; and (3) the State Government was not 'a person interested' within the meaning of the Land Acquisition Act, and could not apply for a reference under s. 30.

HELD: *Per* Shah and Bachawat, JJ.—(i) There are two provisions in the Act under which the Collector can make a reference to the Court, namely, s. 18 and s. 30. The powers under the two sections are distinct and may be invoked in contingencies which do not overlap. A person shown in that part of the award which relates to apportionment of compensation who is present either personally or through a representative or on whom notice is issued under s. 12(2), must, if he does not accept the award, apply to the Collector to refer the matter to the Court under s. 18 within the time prescribed thereunder. But a person who has not appeared in the acquisition proceedings before the Collector may, if he is not served with notice of filing, raise a dispute as to apportionment or as to the persons to whom it is payable and apply to the Court for a reference under s. 30, for determination of his right to compensation which may have existed before the award, or which may have devolved upon him since the award. For a reference under s. 30 no period of limitation is prescribed. [583E-584A]

A (ii) It is not predicated of the exercise of the power to make a reference under s. 30 that the Collector has not apportioned the compensation money by his award. [584D]

Boregowda and Anr. v. *Subbaramiah and Ors.*, A.I.R. (1959) Mysore, 265, disapproved.

B (iii) The award made by the Collector under s. 11 is not the source of the right to compensation. An award is strictly speaking only an offer made by the Government to the person interested in the land notified for acquisition; the person interested is not bound to accept it and the Government can also withdraw the acquisition under s. 48. It is only when possession of the land has been taken by the Government under s. 16 that the right of the owner of the land is extinguished. Therefore the appellant's contention that title to C compensation is derived solely from and on the date of the award, could not be accepted. [584H-585C]

(iv) The liability of the Government under s. 31 to pay compensation to the person entitled thereto under the award does not imply that only the persons to whom compensation is directed to be paid under the award may raise a dispute under s. 30. The scheme of ap- D portionment by the Collector under s. 11 is conclusive only between the Collector and the persons interested and not among the persons interested. Payment of compensation under s. 31 to the persons declared in the award to be entitled thereto discharges the State of its liability to pay compensation leaving it open to the claimant to compensation to agitate his right in a reference under s. 30 or by a separate suit. [586B-F]

E (v) Under the Bihar Land Reforms Act the title of the appellant to the land notified for acquisition became vested in the State and therefore the right to compensation for the land acquired devolved upon the State. A dispute then arose between the State Government and the appellant "as to the persons to whom" compensation was payable. The State had no right to the compensation payable for the land under a title existing before the date of the award of the Col- F lector and no application could be made by it as a person interested within the meaning of s. 18. But a dispute between the appellant and the State as to their conflicting claims to the compensation money was clearly a dispute which could be referred under s. 30 of the Act to the Court. There is nothing in s. 30 which excludes a reference to the Court of a dispute raised by a person on whom the title of the owner of the land has since the award, devolved. [584G; 586A, G, H]

G *Promotha Nath Mitra* v. *Rakhal Das Addy*, 11 Cal. L.J. 420, referred to.

Per Subba Rao, J.—(i) The Land Acquisition Officer cannot make a reference under s. 30 of the Act in the matter of apportionment of compensation after the award has been made by him apportioning the compensation under s. 11 and has been filed under s. 12.

H The Land Acquisition Act discloses a well knit scheme in the matter of making an award. The Land acquisition Officer after issuing notice calling for objections decides on the three matters prescribed in s. 11 *i.e.* the true area of the land, the amount of compensation and the apportionment of the compensation. Before making the apportionment he can resort to any of the following three methods:

(i) to accept an agreed formula;

(ii) to decide for himself; and

(iii) to refer to the Court if he thinks that the decision of the Court is necessary. But once the award is made, it becomes final and it can be reopened only in the manner prescribed i.e. by way of a reference under s. 18 of the Act.

It is not correct to say that on the above view a person who acquires a right after the award by transfer inter vivos or by devolution of interest will be without a remedy. Such a person may ask for a reference under s. 18. He may apply to be brought on record after the reference is made to the Court. He may proceed to the Civil Court to recover the compensation from the persons who received it on the basis of his title. On the other hand the contrary view will lead to an incongruous position. It enables the Land Acquisition Officer to reopen a final award in the teeth of the express provisions of s. 12 of the Act. It further enables him to make a reference without any period of limitation and thus to disturb the rights finally settled by the award. [580B-G]

CIVIL APPELLATE JURISDICTION: Civil Appeals Nos. 262 to 264 of 1964.

Appeals from the judgment and decrees dated January 5, and January 22, 1959, and 24th November 1960 of the Patna High Court in appeals from Original Decrees Nos. 401 of 1953, and 297 and 298 of 1954 respectively.

S. R. Ghosal and *R. C. Prasad*, for the appellant (in all the appeals).

D. P. Singh, R. K. Garg, S.C. Agarwala and *M.K. Ramamurthi* for the respondent (in all the appeals).

SUBBA RAO J. delivered a dissenting opinion. The Judgment of SHAH, and BACHAWAT JJ. was delivered by SHAH J.

Subba Rao, J. I regret my inability to agree with brother Shah, J., on one of the questions raised in the appeals, namely, whether the Land Acquisition Officer can, after making the award under s. 12 of the Land Acquisition Act, 1894, hereinafter called the Act, fixing the compensation for the land acquired and apportioning the same among the persons interested in the land, refer the question of apportionment under s. 30 of the Act to the decision of the Court. Shah, J., held he could; but, with great respect to him, I take a different view.

The facts are fully stated in the judgment of Shah, J., and they need not, therefore, be restated here.

The answer to the problem raised falls to be decided on a conspectus of the relevant provisions of the Act. Section 9 of the Act enjoins on the Collector to cause public notice to be given at convenient places on or near the land to be taken, stating that the Government intends to take possession of the land, and that claims to compensation for all interests in such land may be made to him; under sub-s. (2) thereof such notice shall state the particulars of the land so needed and shall require persons interested in the land to appear personally or by agent before the Collector at a time and place therein mentioned and to state the nature of their respective interests in the land and the amount and particulars of

A their claims to compensation for such interests, and their objections, if any, to the measurements made under s. 8. Under s. 11, on the day fixed or on any other day to which the enquiry has been adjourned, the Collector shall proceed to make an enquiry and shall make an award under his hand of (i) the true area of the land; (ii) the compensation which in his opinion should be allowed for the B land; and (iii) the apportionment of the said compensation among all the persons known or believed to be interested in the land, of whom, or of whose claims, he had information, whether or not they have respectively appeared before him. Under s. 12, "such award shall be filed in the Collector's office and shall, except as hereinafter provided, be final and conclusive evidence, as between the Collector C and the persons interested, whether they have respectively appeared before the Collector or not, of the true area and value of the land, and the apportionment of the compensation among the persons interested." The group of sections, viz., ss. 9 to 15, describes the subject-matter and the nature of the enquiry to be held by the Collector and provides for the making of the final award in respect of D the said subject-matter; ss.18 to 28 provide for reference to Court and the procedure to be followed therein in respect thereof. Sections 29 and 30 fall under part IV of the Act under the heading "Apportionment of compensation". As the decision mainly turns upon these provisions, it will be convenient to read them in full.

E *Section* 29. *Particulars of apportionment to be specified*—Where there are several persons interested, if such persons agree in the apportionment of the compensation, the particulars of such apportionment shall be specified in the award, and as between such persons the award shall be conclusive evidence of the correctness of the apportionment.

F *Section* 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.

G While s. 11 imposes a statutory duty on the Collector to enquire in respect of the three matters mentioned therein, ss. 29 and 30 deal with the manner of deciding the dispute in respect of one of the said matters, *viz.*, apportionment of the compensation fixed; under s. 29, if the claimants agree in the apportionment of the compensation, the agreed particulars shall be specified in the award H and the said award is final as between them. It is manifest that this agreement necessarily refers to the apportionment to be made under s. 11 before the award is made, for the section in terms says that the agreed particulars shall be entered in the award. If there is no such agreement, s. 30 comes into play. It also refers to a stage after the compensation has been settled and before the apportionment is made and included in the award. If there was no agreed formula, the Land Acquisition Officer has the discretion, presumably when

there is a complicated question, to refer the dispute in respect of the apportionment to the Court. But he need not do so if he thinks fit to decide the dispute for himself. A

The Land Acquisition Act discloses a well knit scheme in the matter of making an award. The Land Acquisition Officer, after issuing notice calling for objections, decides on the three matters prescribed in s. 11, *i.e.*, the true area of the land, the amount of compensation and the apportionment of the compensation. Before making the apportionment of the compensation he can resort to any of the following three methods: (i) to accept an agreed formula; (ii) to decide for himself; and (iii) to refer to the Court if he thinks that the decision of the Court is necessary. But once the award is made, it becomes final and it can be reopened only in the manner prescribed, *i.e.*, by way of a reference under s. 18 of the Act. This construction makes for the smooth working of the provisions of the Act and does not lead to any anomalies. It also does not affect the right of the aggrieved parties to proceed in the manner prescribed by the Act for getting the award vacated or modified, as the case may be. It is said that if this view be accepted, a person who acquires a right after the award by transfer *inter vivos* or by devolution of interest will be without a remedy. I do not see any difficulty in that regard. Under s. 18 he may ask for a reference. He may apply to be brought on record after the reference is made to the Court. It may also be that he may proceed in a civil Court to recover the compensation from the persons who received it on the basis of his title. On the other hand, the contrary view will lead to an incongruous position. It enables the Land Acquisition Officer to reopen a final award in the teeth of the express provisions of s. 12 of the Act. It further enables him to make a reference without any period of limitation and thus to disturb the rights finally settled by the award. I, therefore, hold that the Land Acquisition Officer cannot make a reference under s. 30 of the Act in the matter of apportionment of compensation after the award has been made by him apportioning the compensation under s. 11 and has been filed under s. 12 thereof. B C D E F G

During the course of the arguments it was suggested that as the interest of Dr. Grant devolved on the Government it may be held that the Government was in substance brought on record in the place of Dr. Grant in the reference made under s. 18 of the Act to the District Court. But the point was not raised at any stage of the proceedings. Indeed no application was filed in the District Court for bringing the Government on record in the place of Dr. Grant. In the circumstances I am not justified in permitting the respondent to raise the said point for the first time before this Court. H

In the result, I set aside the decision of the High Court and restore that of the District Court. The appellant will have his costs throughout.

A **Shah, J.** Dr. Gregor Hug Grant—hereinafter called 'Dr. Grant'—was the proprietor of the Dumka Estate in the District of Santhal Parganas in the State of Bihar. By a notification under s. 4(1) of the Land Acquisition Act, 1894 published on June 8, 1949 the Government of Bihar notified for acquisition a larger area of land out of the estate of Dr. Grant for establishing "an agricultural B farm." The Collector made on March 25, 1952 awards setting out the true area of the land notified for acquisition, compensation which in his opinion should be allowed for the land and apportionment of the compensation among all the persons known or believed to be interested in the land. The awards were filed in the Collector's office on the same day. In respect of Plot No. 142, Rs. 575/14/- C were awarded by the Collector as compensation in equal shares to Dr. Grant and the members of the village community, who had also made a claim for compensation. In respect of Plot No. 68, the Collector awarded Rs. 294/6/- as compensation. In respect of acquisition of an area admeasuring 88.91 acres consisting of several plots, the Collector awarded Rs. 1,64,446/5/10 as compensation and D directed apportionment in the manner set out in the award.

On May 5, 1952 Dr. Grant applied to the Collector under s. 18 of the Land Acquisition Act that the three matters be referred for determination by the Court of the amount of compensation payable to the owners. Similar applications were filed in respect of Plot Nos. 68 & 142 by the members of the village community. In E consequence of a notification issued under s. 3 of the Bihar Land Reforms Act 30 of 1950 the Dumka Estate vested on May 22, 1952 in the State of Bihar. In exercise of the power under s. 16 of the Land Acquisition Act, the Government of Bihar took over possession on August 21, 1952 of the Lands notified for acquisition. On October 15, 1952 the Government Pleader submitted a peti- F tion before the Collector claiming that the compensation money awarded to Dr. Grant had since the publication of the notification under the Bihar Land Reforms Act become payable to the State Government, and the dispute between Dr. Grant and the State Government regarding the right to payment may be referred to the Court under s. 30 of the Land Acquisition Act.

G The Collector made on November 5, 1952 three references to the District Court, Santhal Parganas. Two out of those references were made in exercise of powers under ss. 30 & 18 of the Land Acquisition Act, and the third under s. 30. The District Judge by his order dated April 9, 1954 held that the State of Bihar had no interest in the property notified for acquisition when the award was H filed before the Collector under s. 12 of the Land Acquisition Act, and the State could lay no claim to the compensation money awarded. The District Judge upheld the apportionment of compensation between Dr. Grant and the village community and enhanced the valuation of the land and directed that compensation at the enhanced rate be awarded.

Against the order of the District Judge in the references, three appeals Nos. 401 of 1953, 297 of 1954 and 298 of 1954 were preferred by the State to the High Court of Judicature at Patna. The High Court held that title of the owner to the land acquired under the Land Acquisition Act could not be extinguished under that Act till possession was taken under s. 16 of the Act, and that since the title of Dr. Grant in the land acquired stood statutorily vested in the State by virtue of the notification issued under the Bihar Land Reforms Act, he was not entitled to receive the compensation money. In the view of the High Court, title to the compensation money had vested in the State Government before possession was obtained by the State Government under s. 16 of the Land Acquisition Act, and that it was open to the Collector, on a dispute raised by the State about the right to receive the compensation money, to make a reference to the Court under s. 30 of the Act. With certificate granted by the High Court, these three appeals have been preferred by Dr. Grant.

Three contentions have been urged in support of the appeals: (1) the Collector had no authority to refer the matter under s. 30 after he had apportioned the amount of compensation under s. 11 (2) since title to compensation is derived solely from and on the date of the award, the notification under s. 3 of the Bihar Land Reforms Act did not deprive Dr. Grant of his right to receive compensation, and (3) the State Government was not "a person interested" within the meaning of the Land Acquisition Act, and could not apply for a reference under s. 30.

After a notification is issued under s. 6 of the Land Acquisition Act, the appropriate Government may acquire the land notified in the manner set out in ss. 7 to 16. Section 9 provides for an enquiry into the area of the land, into compensation which is payable and apportionment of compensation. The Collector is by s. 11 authorised to make an award setting out the true area of the land, the compensation which, in his opinion, should be allowed for the land and the apportionment of the said compensation among all the persons known or believed to be interested in the land, or of whose claims, he has information, whether or not they have respectively appeared before him. The award when filed in the Collector's office becomes final and conclusive evidence as between the Collector and the persons interested whether they have respectively appeared before the Collector or not, of the true area and value of the land and the apportionment of compensation among the persons interested. The land vests absolutely in the Government, free from all encumbrances when possession is taken by the Collector under s. 16. By s. 17 authority is conferred upon the Collector, when in cases of urgency the appropriate Government so directs, to take possession of waste or arable land even before making an award. Section 48 authorises the Government to withdraw from the acquisition any land of which possession has not been taken.

A By s. 18 the Collector is enjoined to refer to the District Court for determination, objections as to the measurement of the land, the amount of compensation, the persons to whom it is payable, or the apportionment thereof among the persons interested. Part IV deals with apportionment of compensation. If the persons interested agree in the apportionment of the compensation, the particulars
B of such apportionment shall be specified in the award (s. 29): if there be no such agreement, the Collector may, if a dispute arises as to the apportionment of the compensation or any part thereof or as to the persons to whom the same or any part thereof is payable, refer such dispute under s. 30 for decision by the Court. Part V of the Act which contains ss. 31 to 34 deals with payment of
C compensation. Under s. 31 the Collector has to tender payment of the compensation awarded by him to the persons interested entitled thereto according to the award. By the third proviso to sub-s. (2) of s. 31, liability of any person, who may receive the whole or any part of the compensation awarded under the Act, to pay the same to the person lawfully entitled thereto, is not affected. Sections 32
D & 33 deal with investment of money deposited in respect of land belonging to persons incompetent to alienate the land and in other cases, but with these we are not concerned. Section 34 obliges the Collector to pay interest at the rate of six per centum per annum if compensation is not paid or deposited on or before taking possession of the land from the time of taking possession until it is so
E paid or deposited.

There are two provisions ss. 18(1) and 30 which invest the Collector with power to refer to the Court a dispute as to apportionment of compensation or as to the persons to whom it is payable. By sub-s. (1) of s. 18 the Collector is enjoined to refer a dispute as to
F apportionment, or as to title to receive compensation, on the application within the time prescribed by sub-s. (2) of that section of a person interested who has not accepted the award. Section 30 authorises the Collector to refer to the Court after compensation is settled under s. 11, any dispute arising as to apportionment of the same or any part thereof or as to the persons to whom the same
G or any part thereof is payable. A person shown in that part of the award which relates to apportionment of compensation, who is present either personally or through a representative, or on whom a notice is served under sub-s. (2) of s. 12, must, if he does not accept the award, apply to the Collector within the time prescribed under s. 18(2) to refer the matter to the Court. But a person who has
H not appeared in the acquisition proceeding before the Collector may, if he is not served with notice of the filing, raise a dispute as to apportionment or as to the persons to whom it is payable, and apply to the Court for a reference under s. 30, for determination of his right to compensation which may have existed before the award, or which may have developed upon him since the award. Whereas under s. 18 an application made to the Collector must be made within the period prescribed by sub-s.(2) cl. (b), there is no such period

prescribed under s. 30. Again under s. 18 the Collector is bound to make a reference on a petition filed by a person interested. The Collector is under s. 30 not enjoined to make a reference: he may relegate the person raising a dispute as to apportionment, or as to the person to whom compensation is payable, to agitate the dispute in a suit and pay the compensation in the manner declared by his award. A B

We are unable to agree with the view expressed by the Mysore High Court in *Boregowda and another* v. *Subbaramiah and others* (1) that if the Collector has made apportionment of the compensation money by his award his power to refer a dispute under s. 30 cannot be exercised. Clause (iii) of s. 11 enjoins the Collector to apportion the compensation money among persons known or believed to be interested in the land: he has no discretion in the matter. Exercise of the power under s. 30 to refer the dispute relating to apportionment or as to the persons to whom it is payable is, it is true, discretionary: the Collector may, but is not bound to exercise that power. It is however not predicated of the exercise of that power that the Collector has not apportioned the compensation money by his award. We are also unable to agree with the Mysore High Court that the power under s. 30 of the Land Acquisition Act has to be exercised on a motion within the period prescribed by s. 18(2) of the Land Acquisition Act. In our judgment the powers exercisable by the Collector under s. 18(1) and under s. 30 are distinct and may be invoked in contingencies which do not overlap. C D E

By virtue of the notification issued under the Bihar Land Reforms Act the right of Dr. Grant vested in the State of Bihar. On March 25, 1952 when the Collector made an award under s. 11, the only persons interested in the award were Dr. Grant and the members of the village community, but the title of Dr. Grant in the land notified for acquisition stood, by operation of the Bihar Land Reforms Act, transferred as from May 22, 1952 to the State of Bihar. A dispute then arose between the State Government and Dr. Grant "as to the persons whom" compensation was payable. The State had no right to the compensation payable for the land under a title existing before the date of the award of the Collector, and no application for reference could be made by the State, as a person interested within the meaning of s. 18(1). The title of the State to receive compensation arose only when in consequence of the notification under s. 3 of the Bihar Land Reforms Act, the title of Dr. Grant to the Estate was divested. F G H

An award by the Collector is strictly speaking an offer made to the person interested in the land notified for acquisition: the latter may accept the offer, but is not bound to accept it. He may ask for a reference to the Court for adjudication of his claim for adequate compensation. The person interested may even accept

(1) A.I.R. 1959 Mysore 265.

A the compensation under protest as to the sufficiency of the amount and ask for a reference. It is also open to the Government, even after the award is made, but before possession is taken, to withdraw from acquisition of any land in exercise of the powers conferred by s. 48 of the Land Acquisition Act. It is therefore not the award of the Collector which is the source of the right to compensation: the
B award quantifies the offer of the appropriate Government, which is made because the Government has taken over, or intends to take the land of the owner under the authority conferred by the Land Acquisition Act. In *Serju Prasad Sahu* v. *The State of Uttar Pradesh and Others*(1) it was observed by this Court in considering the scheme of the Act that the right of the owner of the land is extin-
C guished when Government takes possession of the land after an award of compensation is made. This is also supported by the scheme of the Act. Interest is made payable under s. 28 on the additional amount of compensation awarded by the Court from the date on which the Collector had taken possession. Similarly under s. 34 interest is made payable on the compensation from the date on which
D the possession is taken, if the same be not paid or deposited on or before taking possession of the land.

The right of the State of Bihar arose on May 22, 1952 when the title to the land vested in it by virtue of the notification issued under the Bihar Land Reforms Act. There is nothing in the Land
E Acquisition Act which prohibits the Collector from making a reference under s. 30 for determination of the title of the person who has since the date of the award acquired a right to the compensation. If after a reference is made to the Court, the person interested dies or his title devolves upon another person, because of inheritance, succession, insolvency, forfeiture, compulsory winding up
F or other form of statutory transfer, it would be open to the party upon whom the title has devolved to prosecute the claim which the person from whom the title has devolved could have prosecuted. In *Promotha Nath Mitra* v. *Rakhal Das Addy*(2) it was held that a reference made by the Collector under s. 30 of the Land Acquisition Act at the instance of a proprietor of land may be prosecuted by
G the purchaser of his rights after the award at a revenue auction. If the right to prosecute a reference by a person on whom the title of the person interested has devolved be granted, there is no reason why the right to claim a reference of a dispute about the person entitled to compensation may not be exercised by the person on whom the title has devolved since the date of the award.

H The scheme of the Land Acquisition Act is that all disputes about the quantum of compensation must be decided by resort to the procedure prescribed by the Act; it is also intended that disputes about the rights of owners to compensation being ancillary to the principal dispute should be decided by the Court to which power is entrusted. Jurisdiction of the Court in this behalf is not restricted

(1) A.I.R. 1965 S.C. 1763. (2) 11 Cal. L.J. 420.

to cases of apportionment, but extends to adjudication of disputes as to the persons who are entitled to receive compensation, and there is nothing in s. 30 which excludes a reference to the Court of a dispute raised by a person on whom the title of the owner of land has, since the award, devolved. A

It was strongly pressed that under s. 31 of the Land Acquisition Act the Collector is bound to tender payment of compensation awarded by him to the persons entitled thereto according to the award and that implied that a right in the amount of compensation arises to the person to whom compensation is directed to be paid under the award, and therefore the only persons who can raise a dispute under s. 30 are those whose names are set out in the award. This contention stands refuted by the plain terms of s. 30. The Collector is not authorised to decide finally the conflicting rights of the persons interested in the amount of compensation: he is primarily concerned with the acquisition of the land. In determining the amount of compensation which may be offered, he has, it is true, to apportion the amount of compensation between the persons known or believed to be interested in the land, of whom, or of whose claims, he has information, whether or not they have appeared before him. But the scheme of apportionment by the Collector does not finally determine the rights of the persons interested in the amount of compensation: the award is only conclusive between the Collector and the persons interested and not among the persons interested. The Collector has no power to finally adjudicate upon the title to compensation, that dispute has to be decided either in a reference under s. 18 or under s. 30 or in a separate suit. Payment of compensation therefore under s. 31 to the person declared by the award to be entitled thereto discharges the State of its liability to pay compensation (subject to any modification by the Court), leaving it open to the claimant to compensation to agitate his right in a reference under s. 30 or by a separate suit. B C D E F

The dispute between the State of Bihar and Dr. Grant has been expressly referred by the Collector to the Court for decision. Under the Bihar Land Reforms Act, the title of Dr. Grant to the land notified for acquisition became vested in the State, and therefore the right to compensation for the land acquired devolved upon the State. A dispute between Dr. Grant and the State as to their conflicting claims to the compensation money was clearly a dispute which could be referred under s. 30 of the Land Acquisition Act to the Court and was in fact referred to the Court. We are unable to agree with counsel for Dr. Grant that the reference made by the Collector under s. 30 was incompetent, because the State was not interested in the compensation money on the date when the award was made. The right of the State of Bihar has undoubtedly arisen after the award was made, but once the title which was originally vested in Dr. Grant stood statutorily transferred to the State, it was open to the State to claim a reference, not because the G H

A State was a person interested in the compensation money before the date of the award, but because of the right which has arisen since the award was made.

We therefore dismiss the appeals with costs. There will be one hearing fee.

ORDER

B Following the judgment of the majority, the appeals are dismissed with costs. There will be one hearing fee.