Mr. Sattar Ali & Ors. vs Municipal Corporation Of Delhi & Ors. on 14 July, 2011

Author: Rajiv Sahai Endlaw

Bench: Rajiv Sahai Endlaw

*IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of decision: 14th July, 2011

+ W.P.(C) No.6831/2010

Versus

MUNICIPAL CORPORATION OF

DELHI & ORS. Respondents

Through: Mr. Ajay Arora with Mr. Kapil Dutta

& Mr. Sarfraz Ahmed, Advs. for

MCD.

CORAM :-

HON'BLE MR. JUSTICE RAJIV SAHAI ENDLAW

1. Whether reporters of Local papers may No be allowed to see the judgment?

2. To be referred to the reporter or not?

3. Whether the judgment should be reported No in the Digest?

RAJIV SAHAI ENDLAW, J.

- 1. The five petitioners are aggrieved from the action of the respondent MCD of demolishing their properties without notice. It is further their plea that the houses of the five petitioners only were targeted and no action has been taken with respect to about 100 other houses on the same road.
- 2. Notice of the petition was issued on 6th October, 2010. The counsel for the petitioners on that date informed that though the houses of other petitioners have been fully demolished, the house of one of the petitioners was only partly demolished. This Court vide order of the said date directed maintenance of status quo i.e. neither the respondent MCD was to take any further action with respect to the properties nor the petitioners were to alter the status thereof. Pleadings have since been completed and the counsels for the parties have been heard.
- 3. The five petitioners claim to be owners of properties Nos.1, T-1/439, 434 and 147 (one part of

which is stated to be belonging to the petitioner No.4 and the other part to the petitioner No.5) respectively on Railway Road, Shadi Nagar, Azadpur, Delhi. The said properties are stated to be comprising of ground and upper floors. It is the case of the petitioners that they have been in possession of the said properties ever since purchase thereof between the years 1989 to July, 2010. It is further the case of the petitioners that behind their said properties, M2K Victoria Garden Housing Complex is being developed; that the properties of the petitioners save of the petitioner No.1 were demolished suddenly on 27th September, 2010 at 10:15 a.m. in the morning without any notice and at the behest of the developers of M2K Victoria Garden Housing Complex since the properties of the petitioners were an eyesore to the prospective occupants of the said Housing Complex. It is contended that the demolition of pucca structure, some of them comprising of as many as four floors, without any notice whatsoever is illegal and in violation of the provisions of NCT of Delhi Laws (Special Provisions) Second Act, 2009. Reliance in the petition itself is placed on Neelima Misra Vs. Harinder Kaur Paintal (1990) 2 SCC 746, Union of India Vs. Tulsiram Patel (1985) 3 SCC 398, Swadeshi Cotton Mills Vs. Union of India (1981) 1 SCC 664, Olga Tellis Vs. Bombay Municipal Corporation (1985) 3 SCC 545, Shantistar Builders Vs. Narayan Khimalal Totame (1990) 1 SCC 520, P.G. Gupta Vs. State of Gujarat 1995 Supp. (2) SCC 182, Chameli Singh Vs. State of U.P. (1996) 2 SCC 549, Ahmedabad Municipal Corporation Vs. Nawab Khan Gulab Khan (1997) 11 SCC 121 & Shiv Sagar Tiwari Vs. Union of India (1997) 1 SCC 444.

4. The respondent MCD in its counter affidavit has stated that none of the pleadings or documents of the petitioners show any title in the petitioners to the properties and / or to the land underneath the same; that the documents filed by the petitioners at best indicate possession of the petitioners of some part of the locality of Azadpur; that the dimensions of the structures contained in the said documents do not match with the structures which the petitioners claim to be in their possession. It is further stated that the land under occupation of the petitioners is government land earmarked as "park" in the approved layout plan of the colony and with a Milk Booth in a corner; that owing to the occupation of the petitioners, the development of the park and construction of the Milk Booth has been held up; that the petitioners had also encroached upon the already existing road, project for widening whereof is underway; that action aforesaid was taken to retrieve the land from the possession of the petitioners and while possession of the land, by demolishing the properties of the petitioners No.2 to 5 had already been taken, the action against the property of the petitioner No.1 has been held up owing to the interim order in the present writ petition. It is further pleaded that even though encroachers are not entitled to any notice but a notice was duly served on the petitioners and the petitioners had in response thereto undertaken to remove themselves and it is only upon their failure to abide by their undertaking that the action of demolition was taken. It is also denied that the action was taken at the behest of any person(s). With the assistance of the documents, it is pleaded that the tender for road widening project had already been floated. It is argued that the said work is held up owing to the interim order in the present writ petition.

5. The petitioners in their rejoinder have pleaded that most of the roads in the Azadpur have been declared mixed land use streets; that the respondent MCD has not prepared any re-development scheme for the Azadpur urban village as contemplated under the Zonal Development Plan of Civil Lines; that the development plan of Azadpur village filed by the respondent MCD along with their counter affidavit is not authentic; that once the settled possession since the year 1989 or so of the

petitioners is not disputed, the respondent MCD could not have forcibly demolished the properties. The petitioners have also controverted that their properties were located over the land earmarked for park and / or for a Milk Booth and / or land underneath is required for road widening. It is contended that the properties of the petitioners were constructed over road diagonally opposite DJB Pump House across the road; that the respondent MCD also in the notice claimed to have been issued had described the properties of the petitioners as in front of DJB Pump House; that the tender stated to have been floated by the respondent MCD were for road improvement and development of existing roads and not for widening of the roads; directions are sought for investigation into the illegal demolition of the properties of the respondents No.2 to 5.

- 6. The respondent MCD along with its counter affidavit had filed copies of the notice dated 6th May, 2010 issued to the petitioners informing the petitioners that they had encroached on government land earmarked for Milk Booth as per DDA plan and had failed to remove the said encroachment and directing the petitioners to remove the encroachment. The counsel for the MCD during the course of hearing on 14th December, 2010 handed over documents purporting to be letters of the petitioners received in the office of the respondent MCD in May, 2010 wherein the petitioners had agreed to remove themselves from the site. The counsel for the petitioners was on that dated directed to show the said letters to the petitioners; the petitioner No.1 has admitted his signature thereon but the petitioner No.2 had denied his signatures. Similarly, the petitioner No.5 had also admitted the signatures of his father on the said documents. However, the petitioner No.5 failed to comment whether the signature on the said documents were of his father or not.
- 7. Though the arguments spanning over several days were heard and plethora of judgments cited by the counsels for the petitioners but the crux of the matter is that there is a dispute as to the identity of the land as well as to the rights if any of the petitioners thereto. While the respondent MCD contends that the land / property to which the documents filed by the petitioners pertain is different from the land where the demolition action has been taken and the land where demolition action has been taken is meant for park and Milk Booth, the counsel for the petitioners contends that the documents produced pertain to the same land and the said land is not the land meant for park and Milk Booth. It may also be mentioned that the documents purportedly of title to the property relied upon by the petitioners are not registered documents and as rightly contended by the counsel for the respondent MCD, at best disclose the possession of the petitioners of the property to which they pertain.
- 8. The counsel for the petitioners has contended that once the persons are in settled possession and are claiming title to the property, the respondent MCD even if disputes the said title and / or claims title in itself or in the government, cannot take action for demolition and forcible dispossession since it is not competent to decide title to the property.
- 9. The counsel for the petitioners has during the hearing referred to the following judgments:
 - (i) Rajeev Malhotra Vs. Union of India 93 (2001) DLT 532 (DB) paras 15 and 20 on filing of false affidavit and taking liberties with truth.

- (ii) Murray & Co. Vs. Ashok Kumar Newatia (2000) 2 SCC 367 to contend that filing of false affidavit amounts to criminal contempt.
- (iii) Court on its Own Motion Vs. Kuldeep Kapoor 136 (2007) DLT 28 (DB) where a Division Bench of this Court again held that tampering of documents amounts to criminal contempt.
- (iv) Harijan Kalyan Samiti Regd. Vs. Govt. of NCT of Delhi 167 (2010) DLT 368 on the impact of Delhi Laws (Special Provisions) Act, 2010.
- (v) Village Pul Pehladpur Residents Welfare Association Vs. Union of India 127 (2006) DLT 313 where in respect of action against unauthorized colonies, it was held that the government could not indulge in the practice of pick and choose.
- (vi) Sahara India (Firm), Lucknow Vs. Commissioner of Income Tax, Central-I (2008) 14 SCC 151 on the aspect of natural justice.
- (vii) Zenit Metaplast Pvt. Ltd. Vs. State of Maharashtra (2009) 10 SCC 388 on the proposition that every action of the State should not only be fair, legitimate and above board but should be without any affection or aversion.
- (viii) DDA Vs. Nehru Place Hotels 1983 RLR 662 to contend that lay out plans have no statutory force.
- (ix) Rame Gowda Vs. M. Varadappa Naidu AIR 2004 SC 4609 to contend that even a trespasser in settled possession is entitled to protect his possession.
- (x) Municipal Corporation, Ludhiana Vs. Inderjit Singh (2008) 13 SCC 506 to contend that action of demolition without notice is illegal.
- (xi) Municipal Corporation Vs. Bhagwan Dass 1974 RLR 588 to contend that when MCD alleges encroachment on the road, the burden is on the MCD to prove the same.
- 10. The counsel for the respondent MCD has contended that the petitioners are not poor persons and the properties were not being used for residential purposes but for commercial purposes. He has relied on:
 - (i) Rajinder Kakkar Vs. Delhi Development Authority 54 (1994) DLT 484 to contend that encroacher is not entitled to any protection.
 - (ii) Sewa Hotel and Resorts Vs. DDA 124 (2005) DLT 421 to contend that only those who have a right in law are entitled to notice.

- (iii) B.R. Anand Vs. DDA 125 (2005) DLT 116 to contend that encroachers are not entitled to any notice.
- (iv) Mandal Revenue Officer Vs. Goundla Venkaiah I (2010) SLT 533 to contend that even if ration card etc. are acquired at the address, the same is of no consequence.
- 11. The counsel for the petitioners in rejoinder has contended that the basis of the present petition is the NCT of Delhi Laws (Special Provisions) Second Act, 2009. It is contended that the same is a beneficial legislation and ought to be widely interpreted. It is further contended that no aks shijra has been filed by the respondent MCD. It is contended that road widening for which demolition has been carried out is a Scheme of the MLA and not a Central Government Scheme. With reference to revenue records, it is contended that the same also show the land to be built up. Reliance is placed on:
 - (i) Regal Traders Pvt. Ltd. Vs. Lt. Governor of Delhi AIR 1990 Delhi 282 on para 19 to contend that onus is on respondent MCD to show the encroachment.
- (ii) Municipal Corporation Vs. Bhagwan Dass (supra) on as to what is to be considered public street.
- (iii) Chairman, Indore Vikas Pradhikaran Vs. Pure Industrial Coke & Chemicals Ltd. 2007 8 SCC 705 (para 20).
- 12. To say the least, the above would demonstrates that the petitioners, whether to prolong the hearing or for some other / purpose have bombarded this Court with judgments, a large number of which are not found to be of any relevance to the matter in controversy. As aforesaid, the properties of the petitioners No.2 to 5 already stand demolished. However, the property of petitioner No.1 has only been partly demolished. The petitioners have in the writ petition sought a declaration of the action of the respondent MCD of demolition on 27th September, 2010 to be illegal and arbitrary and to restrain the respondents from taking further demolition action and have further sought a direction against the respondent MCD to restore the properties to the original position/condition.
- 13. The petitioners in the present case have not placed any registered document of title of the properties with sufficient identification of the location to which they pertain, for this Court to on the basis thereof reach a conclusion that the properties which have been demolished vested in the petitioners. It is only on reaching such a conclusion that this Court can grant the relief of declaration and may be of restoration of status quo ante and / or of compensation as claimed. As aforesaid, there is serious dispute between the parties as to the location; without examination and cross examination of witnesses and further investigation, it cannot be said whether the documents annexed by the petitioners to this petition relate to the location where demolition action has been taken. I entertain serious doubts as to the entitlement of the petitioners to a declaration and / or to the relief of status quo ante and / or of compensation, if found to be encroachers of public land.
- 14. The Supreme Court in the celebrated case of S.P. Chengalvaraya Naidu Vs. Jagannath AIR 1994 SC 853 has noted that the process of the Court is being abused and property grabbers and other

unscrupulous persons from all walks of life find the Court process a convenient lever to retain the illegal gains indefinitely.

- 15. I am unable to hold that the petitioners are entitled to the benefit of the Delhi Laws (Special Provisions) Second Act, 2009. The same protected only unauthorized colonies, regularization whereof was under consideration of the Government of India and would not apply to encroachments as alleged in the present case.
- 16. Thus the question of granting the relief of declaration or status quo ante or compensation without being able to return any finding as to the title of the petitioners does not arise. The recourse to writ remedy for such declaration is not appropriate. The appropriate for a for the said purpose is a Civil Court.
- 17. I have considered whether the property of the petitioner No.1 which remains to be demolished should be protected for the reason of the same having existed for long. As aforesaid, the question as to whether the petitioner No.1 has any right to the land underneath the same as claimed by him and / or is an encroacher as claimed by the respondent MCD is yet to be determined. Thus, relief qua this property sought in this writ petition without adjudication of title and right claimed being possible in these proceedings, is in the nature of an interim relief. The grant of interim relief is dependent upon the test of prima facie case, irreparable injury and balance of convenience.
- 18. However, of late the courts have added yet another test. The Supreme Court in Ramniklal N. Bhutta Vs. State of Maharashtra AIR 1997 SC 1236 held as under:
 - "10. Before parting with this case, we think it necessary to make a few observations relevant to land acquisition proceedings. Our country is now launched upon an ambitious programme of all-round economic advancement to make our economy competitive in the world market. We are anxious to attract foreign direct investment to the maximum extent. We propose to compete with China economically. We wish to attain the pace of progress achieved by some of the Asian countries, referred to as "Asian tigers", e.g., South Korea, Taiwan and Singapore. It is, however, recognised on all hands that the infrastructure necessary for sustaining such a pace of progress is woefully lacking in our country. The means of transportation, power and communications are in dire need of substantial improvement, expansion and modernisation. These things very often call for acquisition of land and that too without any delay. It is, however, natural that in most of these cases, the persons affected challenge the acquisition proceedings in courts. These challenges are generally in the shape of writ petitions filed in High Courts. Invariably, stay of acquisition is asked for and in some cases, orders by way of stay or injunction are also made. Whatever may have been the practices in the past, a time has come where the courts should keep the larger public interest in mind while exercising their power of granting stay/injunction. The power under Article 226 is discretionary. It will be exercised only in furtherance of interests of justice and not merely on the making out of a legal point. And in the matter of land acquisition for public purposes, the

interests of justice and the public interest coalesce. They are very often one and the same. Even in a civil suit, granting of injunction or other similar orders, more particularly of an interlocutory nature, is equally discretionary. The courts have to weigh the public interest vis-à-vis the private interest while exercising the power under Article 226 indeed any of their discretionary powers. It may even be open to the High Court to direct, in case it finds finally that the acquisition was vitiated on account of non- compliance with some legal requirement that the persons interested shall also be entitled to a particular amount of damages to be awarded as a lumpsum or calculated at a certain percentage of compensation payable. There are many ways of affording appropriate relief and redressing a wrong; quashing the acquisition proceedings is not the only mode of redress. To wit, it is ultimately a matter of balancing the competing interest. Beyond this, it is neither possible nor advisable to say. We hope and trust that these considerations will be duly borne in mind by the courts while dealing with challenges to acquisition proceedings."

19. Prior thereto in Shiv Kumar Chadha Vs. Municipal Corporation of Delhi (1993) 3 SCC 161 also the Supreme Court observed:

"30. It need not be said that primary object of filing a suit challenging the validity of the order of demolition is to restrain such demolition with the intervention of the Court. In such a suit the plaintiff is more interested in getting an order of interim injunction. It has been pointed out repeatedly that a party is not entitled to an order of injunction as a matter of right or course. Grant of injunction is within the discretion of the Court and such discretion is to be exercised in favour of the plaintiff only if it is proved to the satisfaction of the Court that unless the defendant is restrained by an order of injunction, an irreparable loss or damage will be caused to the plaintiff during the pendency of the suit. The purpose of temporary injunction is, thus, to maintain the status quo. The Court grants such relief according to the legal principles - ex debited justitiae,. Before any such order is passed the Court must be satisfied that a strong prima facie case has been made out by the plaintiff including on the question of maintainability of the suit and the balance of convenience is in his favour and refusal of injunction would cause irreparable injury to him.

31. Under the changed circumstance with so many cases pending in Courts, once an interim order of injunction is passed, in many cases, such interim orders continue for months; if not for years. At final hearing while vacating such interim orders of injunction in many cases, it has been discovered that while protecting the plaintiffs from suffering the alleged injury, more serious injury has been caused to the defendants due to continuance of interim orders of injuction without final hearing. It is a matter of common knowledge that on many occasions even public interest also suffers in view of such interim orders of injunction, because persons in whose favour such orders are passed are interested in perpetuating the contraventions made by them by delaying the final disposal of such applications. The Court should be always willing to extend its hand to protect a citizen who is being wronged or is being

deprived of a property without any authority in law or without following the procedure which are fundamental and vital in nature. But at the same time the judicial proceedings cannot be used to protect or to perpetuate a wrong committed by a person who approaches the Court."

20. In between in Mahadeo Savlaram Shelke Vs. Pune Municipal Corporation (1995) 3 SCC 33 also the Supreme Court observed:

"12. In "Modern Law Review", Vol 44, 1981 Edition, at page 214, R.A. Buckley stated that "a plaintiff may still be deprived of an injunction in such a case on general equitable principles under which factors such as the public interest may, in an appropriate case, be relevant. It is of interest to note, in this connection, that it has not always been regarded as altogether beyond doubt whether a plaintiff who does thus fail to substantiate a claim for equitable relief could be awarded damages". In "The Law Quarterly Review" Vol 109, at page 432 (at p. 446), A.A.S. Zuckerman under Title "Mareva Injunctions and Security for Judgment in a Framework of Interlocutory Remedies" stated that "if the plaintiff is likely to suffer irreparable or uncompensable damage, no interlocutory injunction will be granted, then, provided that the plaintiff would be able to compensate the defendant for any unwarranted restraint on the defendant's right pending trial, the balance would tilt in favour of restraining the defendant pending trial. Where both sides are exposed to irreparable injury pending trial, the courts have to strike a just balance". At page 447, it is stated that "the court considering an application for an interlocutory injunction has four factors to consider: first, whether the plaintiff would suffer irreparable harm if the injunction is denied; secondly, whether this harm outweighs any irreparable harm that the defendant would suffer from an injunction; thirdly, the parties' relative prospects of success on the merits; fourthly, any public interest involved in the decision. The central objective of interlocutory injunctions should therefore be seen as reducing the risk that rights will be irreparably harmed during the inevitable delay of litigation".

13. In "Injunctions" by David Bean, 1st Edn, at page 22, it is stated that "if the plaintiff obtains an interlocutory injunction, but subsequently the case goes to trial and he fails to obtain a perpetual order, the defendant will meanwhile have been restrained unjustly and will be entitled to damages for any loss he has sustained. The practice has therefore grown up, in almost every case where interlocutory injunction is to be granted, of requiring the plaintiff to undertake to pay any damages subsequently found due to the defendant as compensation if the injunction cannot be justified at trial. The undertaking may be required of the plaintiff in appropriate cases in that behalf. In "Joyce on Injunctions" Vol. 1 in paragraph 177 at page 293, it is stated "Upon a final judgment dissolving an injunction, a right of action upon the injunction bond immediately follows, unless the judgment is superseded. A right to damages on dissolution of the injunction would arise at the determination of the suit at law".

14. It would thus be clear that in a suit for perpetual injunction, the court should enquire on affidavit evidence and other material placed before the court to find strong prima facie case and balance of convenience in favour of granting injunction otherwise irreparable damage or damage would ensue to the plaintiff. The court should also find whether the plaintiff would adequately be compensated by damages if injunction is not granted. It is common experience that injunction normally is asked for and granted to prevent the public authorities or the respondents to proceed with execution of or implementing scheme of public utility or granted contracts for execution thereof. Public interest is, therefore, one of the material and relevant considerations in either exercising or refusing to grant ad interim injunction. While exercising the discretionary power, the court should also adopt the procedure of calling upon the plaintiff to file a bond to the satisfaction of the court that in the event of his failing in the suit to obtain the relief asked for in the plaint, he would adequately compensate the defendant for the loss ensued due to the order of injunction granted in favour of the plaintiff. Even otherwise the court while exercising its equity jurisdiction in granting injunction has also jurisdiction and power to grant adequate compensation to mitigate the damages caused to the defendant by grant of injunction restraining the defendant to proceed with the execution of the work etc., which is retrained by an order of injunction made by the court. The pecuniary award of damages is consequential to the adjudication of the dispute and the result therein is incidental to the determination of the case by the court. The pecuniary jurisdiction of the court of first instance should not impede nor be a bar to award damages beyond it pecuniary jurisdiction. In this behalf, the grant or refusal of damages is not founded upon the original cause of action but the /consequences of the adjudication by the conduct of the parties, the court gets inherent jurisdiction in doing ex debito justitiae mitigating the damage suffered by the defendant by the act of the court in granting injunction restraining the defendant from proceeding with the action complained of in the suit It is common knowledge that injunction is invariably sought for in laying the suit in a court of lowest pecuniary jurisdiction even when the claims are much larger than the pecuniary jurisdiction of the court of first instance, may be, for diverse reasons. Therefore, the pecuniary jurisdiction is not and should not stand an impediment for the court of first instance in determining damages as the part of the adjudication and pass a decree in that behalf without relegating the parties to a further suit for damages. This procedure would act as a check on abuse of the process of the court and adequately compensate the damages or injury suffered by the defendant by act of court at the behest of the plaintiff.

15. Public purpose of removing traffic congestion was sought to be served by acquiring the building for widening the road. By orders of injunction, for 24 years the public purpose, was delayed. As a consequence execution of the project has been delayed and the costs now stand mounted. The courts in the cases where injunction are to be granted should necessarily consider the effect on public purpose thereof and also suitably mould the relief. In the event of the plaintiffs losing the suit ultimately, they should necessarily bear the consequences, namely, escalation of the cost or the damages the Corporation suffered on account of injunction issued by the courts. Appellate court had not adverted to any of the material aspects of the matter. Therefore, the High Court has rightly, though for different reasons, dissolved the order of ad interim injunction. Under these circumstances, in the event of the suit to be dismissed while disposing of the suit the trial court is directed to assess the damages and pass a decree for recovering the same at pro rata against the appellants."

- 21. This court also in matters relating even to copyright and patents has been giving due regards to the element of public interest while dealing with injunction applications. Reference in this regard may be made to i) The Chancellor Masters and Scholars of The University of Oxford Vs Narendera Publishing House 2008 (38) PTC 385 wherein this court declined the relief of injunction with respect to guide books; ii) judgment of the Single Judge [148 (2008) DLT 598] and the Division Bench (MANU/DE/0381/2009) of this Court in F. Hoffmann-La Roche Ltd. and Anr. Vs. Cipla Ltd. where one of the considerations for declining the injunction was the high costs of the drugs of the plaintiff and the comparative low costs of the drugs being marketed in India.
- 22. The Supreme Court in ONGC Ltd Vs. Saw Pipes Ltd AIR 2003 SC 2629 also held that where loss is caused to the public, there is no measure of determining the loss. Instances in that case were given of delays in construction of a bridge or a road which harms the public in general and no individual municipality or government in particular. The Supreme Court in such cases thus held insistence on proof of loss to be not proper.
- 23. Since public project is held up owing to the said property of the petitioner No.1 and not finding prima facie case in favour of the petitioner No.1, no relief as sought qua the property of the petitioner No.1 can be granted.
- 24. The counsel for the petitioners has been unable to establish that the petitioners have in any manner been discriminated qua any other person(s) similarly situated as the petitioners. The photographs produced do not show that there are 100 other houses in the same line as claimed or that the same have been allowed to remain.
- 25. The claims made of right to shelter have to be under the policies framed in this regard. As aforesaid, the properties were not residential. No policy for rehabilitation qua non-residential properties has been brought to my notice.
- 26. The claims of action having been taken suddenly and without notice have also been falsified from admission as aforesaid of some of the petitioners of receipt of notices several months prior to demolition action. I am satisfied that all the petitioners were aware. Rather the petitioners had undertaken to remove themselves. The petitioners concealed all these facts from this Court. The petitioners are not entitled to any relief on this ground alone.
- 27. The writ petition is therefore dismissed with liberty however to the petitioners to approach the Civil Court for declaration of their right(s) if any to the land.

No order as to costs.

RAJIV SAHAI ENDLAW (JUDGE) JULY 14, 2011 "gsr