

DELHI DEVELOPMENT AUTHORITY

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v.

BHAGWAT SINGH & ORS.

(Civil Appeal No. 7961 of 2022)

NOVEMBER 02, 2022

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**[M. R. SHAH AND M. M. SUNDRESH, JJ.]**

*Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013: s. 24(2) – Land acquisition process under Act No. 1 of 1894 shall be deemed to have lapsed in certain cases – Writ petition by the landowners claiming that acquisition with respect to the land deemed to be lapsed u/s. 24(2) – Allowed by the High Court – On appeal, held: High Court relying upon the decision of this Court in Pune Municipal Corporation’s case ordered lapsing of the land in question u/s. 24 on the ground that the compensation was not paid to the landowners – Said decision-Pune Municipal Corporation’s case has been overruled by the Constitution Bench decision of this Court in Indore Development Authority’s case – Furthermore, before the High Court, it was the specific case of the Development Authority-appellant that the possession of the land in question has already been taken – In view thereof, the order passed by the High Court is unsustainable and is set aside.*

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*Indore Development Authority Vs. Manoharlal and Ors.  
(2020) 8 SCC 129 : [2020] (3) SCR 1 – followed.*

*Pune Municipal Corporation and Anr. Vs. Harakchand Misirimal Solanki and Ors. (2014) 3 SCC 183 : [2014]  
(1) SCR 783 – referred to.*

**Case Law Reference**

[2014] (1) SCR 783	referred to	Para 2, 3, 4
[2020] (3) SCR 1	followed	Para 4

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CIVIL APPELLATE JURISDICTION: Civil Appeal No. 7961 of 2022.

From the Judgment and Order dated 11.12.2017 of the High Court of Delhi at New Delhi in W.P. (C) No.10359 of 2015.

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A Nitin Mishra, Adv. for the Appellant.

Mohit Kumar Gupta, Mohd. Hashim Miyan, Mann Bidhuri, Advs.  
for the Respondents.

The Judgment of the Court was delivered by

B **M. R. SHAH, J.**

1. Feeling aggrieved and dissatisfied with the impugned judgment and order passed by the High Court of Delhi at New Delhi in Writ Petition(C) No. 10359 of 2015 by which the High Court has allowed the said writ petition preferred by the private respondent herein – original

C writ petitioner, and has held and declared that the acquisition with respect to the land in question has lapsed under Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter referred to as “Act, 2013”), the Delhi Development Authority has preferred the present appeal.

D 2. Having gone through the Impugned judgment and order passed by the High Court, it is seen that the High Court has ordered lapsing of the land in question under Section 24 of the Act, 2013 relying upon the decision of this Court in the case of **Pune Municipal Corporation and Anr. Vs. Harakchand Misirimal Solanki and Ors. (2014) 3 SCC 183**

E and on the ground that the compensation has not been paid to the landowners. However, it is required to be noted that before the High Court, it was the specific case on behalf of the Delhi Development Authority that the possession of the land in question has already been taken. As observed hereinabove on the ground that the compensation has not been paid to the landowner relying upon the decision of this

F Court in the case of **Pune Municipal Corporation and Anr. (supra)**, the High Court has allowed the said writ petition and has declared that the acquisition with respect to the land in question has lapsed.

G 3. The decision of this Court in the case of **Pune Municipal Corporation and Anr. (supra)** relied upon by the High Court has been overruled by the Constitution Bench decision of this Court in the case of **Indore Development Authority Vs. Manoharlal and Ors. (2020) 8 SCC 129** and in paragraph 366, it is ultimately concluded as under:-

H “**366.** In view of the aforesaid discussion, we answer the questions as under:

**366.1.** Under the provisions of Section 24(1)(a) in case the award is not made as on 1-1-2014, the date of commencement of the 2013 Act, there is no lapse of proceedings. Compensation has to be determined under the provisions of the 2013 Act. A

**366.2.** In case the award has been passed within the window period of five years excluding the period covered by an interim order of the court, then proceedings shall continue as provided under Section 24(1)(b) of the 2013 Act under the 1894 Act as if it has not been repealed. B

**366.3.** The word “or” used in Section 24(2) between possession and compensation has to be read as “nor” or as “and”. The deemed lapse of land acquisition proceedings under Section 24(2) of the 2013 Act takes place where due to inaction of authorities for five years or more prior to commencement of the said Act, the possession of land has not been taken nor compensation has been paid. In other words, in case possession has been taken, compensation has not been paid then there is no lapse. Similarly, if compensation has been paid, possession has not been taken then there is no lapse. C

**366.4.** The expression “paid” in the main part of Section 24(2) of the 2013 Act does not include a deposit of compensation in court. The consequence of non-deposit is provided in the proviso to Section 24(2) in case it has not been deposited with respect to majority of landholdings then all beneficiaries (landowners) as on the date of notification for land acquisition under Section 4 of the 1894 Act shall be entitled to compensation in accordance with the provisions of the 2013 Act. In case the obligation under Section 31 of the Land Acquisition Act, 1894 has not been fulfilled, interest under Section 34 of the said Act can be granted. Non-deposit of compensation (in court) does not result in the lapse of land acquisition proceedings. In case of non-deposit with respect to the majority of holdings for five years or more, compensation under the 2013 Act has to be paid to the “landowners” as on the date of notification for land acquisition under Section 4 of the 1894 Act. D

**366.5.** In case a person has been tendered the compensation as provided under Section 31(1) of the 1894 Act, it is not open to him to claim that acquisition has lapsed under Section 24(2) due to non-payment or non-deposit of compensation in court. The H

- A obligation to pay is complete by tendering the amount under Section 31(1). The landowners who had refused to accept compensation or who sought reference for higher compensation, cannot claim that the acquisition proceedings had lapsed under Section 24(2) of the 2013 Act.
- B **366.6.** The proviso to Section 24(2) of the 2013 Act is to be treated as part of Section 24(2), not part of Section 24(1)(b).
- C **366.7.** The mode of taking possession under the 1894 Act and as contemplated under Section 24(2) is by drawing of inquest report/memorandum. Once award has been passed on taking possession under Section 16 of the 1894 Act, the land vests in State there is no divesting provided under Section 24(2) of the 2013 Act, as once possession has been taken there is no lapse under Section 24(2).
- D **366.8.** The provisions of Section 24(2) providing for a deemed lapse of proceedings are applicable in case authorities have failed due to their inaction to take possession and pay compensation for five years or more before the 2013 Act came into force, in a proceeding for land acquisition pending with the authority concerned as on 1-1-2014. The period of subsistence of interim orders passed by court has to be excluded in the computation of five years.
- E **366.9.** Section 24(2) of the 2013 Act does not give rise to new cause of action to question the legality of concluded proceedings of land acquisition. Section 24 applies to a proceeding pending on the date of enforcement of the 2013 Act i.e. 1-1-2014. It does not revive stale and time-barred claims and does not reopen concluded proceedings nor allow landowners to question the legality of mode of taking possession to reopen proceedings or mode of deposit of compensation in the treasury instead of court to invalidate acquisition.”
- G 4. In view of the decision of this Court in the case of **Indore Development Authority (supra)**, specifically overruling the decision of this Court in the case of **Pune Municipal Corporation and Anr. (supra)** relied upon by the High Court while passing the impugned judgment and order, the impugned judgment and order passed by the High Court is unsustainable and the same deserves to be quashed and set aside.
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5. In view of the above and for the reasons stated above, present appeal succeeds. The impugned judgment and order passed by the High Court is hereby quashed and set aside. Consequently, the original writ petition preferred by the original writ petitioner stands dismissed.

Nidhi Jain

Appeal allowed.