

[2023] 2 S.C.R. 229

LAND ACQUISITION COLLECTOR AND ANR.

A

v.

B. S. DHILLION & ORS.

(Civil Appeal No. 1597 of 2023)

MARCH 13, 2023

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[M. R. SHAH AND C. T. RAVIKUMAR, JJ.]

Right to fair compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 – s. 24(2) – Land acquisition, when deemed to have lapsed – On facts, award passed with respect to the subject land in the year 1992 – Possession of the land was taken in the year 2006 and was handed over to the DDA on the spot by preparing the possession proceedings – Writ petition by the private respondent-writ petitioner seeking declaration that acquisition proceedings pertaining to subject land is deemed to have lapsed in view of s.24(2) – High Court relying upon the Pune Municipal Corporation’s case held the acquisition is deemed to have lapsed – Sustainability of – Held: Not sustainable – Pune Municipal Corporation and Anr.’s case has been overruled by this Court in the Constitution Bench decision in Indore Development Authority’s case – Applying the law laid by this Court in Indore Development Authority’s case, there shall not be any deemed lapse u/s. 24(2) – Order passed by the High Court is quashed and set aside – Land Acquisition Act, 1894.

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Indore Development Authority v. Manoharlal and Ors.

(2020) 8 SCC 129 : [2020] 3 SCR 1 – followed.

Pune Municipal Corporation and Anr. v. Harakchand

Misirimal Solanki and Ors. (2014) 3 SCC 183 : [2014]

1 SCR 783 – referred to.

Case Law Reference

[2020] 3 SCR 1

followed

Para 3

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[2014] 1 SCR 783

referred to

Para 2, 2.1

CIVIL APPELLATE JURISDICTION: Civil Appeal No. 1597
of 2023.

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A From the Judgment and Order dated 15.02.2016 of the High Court of Delhi in New Delhi in Writ Petition (C) No. 2916 of 2015.

Atul Kumar, Avs Kadyan, Rajiv Ranjan, Amitabh Ranjan, Rahul Pandey, Mrs. Archana Kumari, Mrs. Sweety Singh, Mrs. Rachita Kadyan, Advs. for the Appellants.

B Vikramjeet Banerjee, A.S.G., N.S. Vasisht, Ms. Jyoti Kataria, Varun Kapur, Ms. Smita Maan, Ashok Mathur, Sumit Bansal, Manish Paliwal, Rajiv Kumar Ghawana, Ranjit Singh Daler, D.V. Khatri, Mansoor Ali, T. V. S. Raghavendra Sreyas, Ms. Manika Tripathy, Ishaan Sharma, Manish Vasisht, Ashutosh Kaushik, Nitin Mishra, Mukesh Kumar Verma,

C Vikas Gupta, Ms. Vuzmal Nehru, Ankit Gupta, Satya Parkash Gautam, Rajesh Kumar Chaurasia, Jaideep Malik, Nitesh Dhankar, Sujeet Kumar, Mahesh Chaurasia, Sunil Kumar Tomar, Ms. Soni, Ms. Reena Patel, Ms. Niharika Ahluwalia, Varun Agarwal, Ms. Sakshi Kakkar, Mrs. Rukhmini Bobde, Prashant Rawat, Arvind Kumar Sharma, Ms. Malvika

D Kapila, Ms. Tanwangi Shukla, Tanwangi Shukla, Ravi Bharuka, Ankit Agarwal, Ms. Shalini Chandra, Praveen Swarup, K.P. Singh, Chandra Pratap Singh, Hari Sahteshwar, Devesh Maurya, Ms. Pratishta Majumdar, Nishit Agrawal, Ishan Sharma, Ms. Kanishka Mittal, Ms. Vanya Agrawal, Ms. Sunita Ojha, Dharam Raj Ohlan, Md. Zeeshan Anjum, Ashutosh Bhardwaj, Surjeet Singh, Akash, Vishwa Pal Singh,

E Advs. for the Respondents.

The Judgment of the Court was delivered by

M. R. SHAH, J.

F 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. 2916 of 2015 by which the High Court has allowed the said writ petition and has declared that the acquisition with respect to the land in question is deemed to have lapsed by virtue of Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter referred to G as “Act, 2013”), the Land Acquisition Collector and Anr. have preferred the present appeal.

H 2. From the impugned judgment and order passed by the High Court, it appears that the award under Section 11 of the Land Acquisition Act, 1894 (hereinafter referred to as “Act, 1894”) with respect to the land in question was made as far as back on 19.06.1992. According to

the appellants and so stated in the counter before the High Court, it was the specific case on behalf of the appellants that the possession of the land in question was taken on 21.04.2006 and was handed over to the DDA on the spot by preparing the possession proceedings. However, despite the above and relying upon the earlier decision of this Court in the case of **Pune Municipal Corporation and Anr. Vs. Harakchand Misirimal Solanki and Ors.**, (2014) 3 SCC 183, the High Court has allowed the writ petition and has declared that the acquisition with respect to the land in question is deemed to have lapsed under Section 24(2) of the Act, 2013.

2.1 The decision of this Court in the case of **Pune Municipal Corporation and Anr. (supra)**, which has been heavily relied upon by the High Court while passing the impugned judgment and order has been subsequently overruled by this Court in the Constitution Bench decision in the case of **Indore Development Authority Vs. Manoharlal and Ors.** (2020) 8 SCC 129. In paragraphs 365 and 366, the Constitution Bench of this Court has observed and held as under:-

“**365.** Resultantly, the decision rendered in Pune Municipal Corp. [Pune Municipal Corp. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] is hereby overruled and all other decisions in which Pune Municipal Corp. [Pune Municipal Corp. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] has been followed, are also overruled. The decision in Sree Balaji Nagar Residential Assn. [Sree Balaji Nagar Residential Assn. v. State of T.N., (2015) 3 SCC 353] cannot be said to be laying down good law, is overruled and other decisions following the same are also overruled. In Indore Development Authority v. Shailendra [(2018) 3 SCC 412], the aspect with respect to the proviso to Section 24(2) and whether “or” has to be read as “nor” or as “and” was not placed for consideration. Therefore, that decision too cannot prevail, in the light of the discussion in the present judgment.

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 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.
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366.6. The proviso to Section 24(2) of the 2013 Act is to A
be treated as part of Section 24(2), not part of Section 24(1)(b).

366.7. The mode of taking possession under the 1894 Act B
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).

366.8. The provisions of Section 24(2) providing for a C
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.

366.9. Section 24(2) of the 2013 Act does not give rise to E
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.”

3. Applying the law laid down by this Court in the case of **Indore F**
Development Authority (supra) to the facts of the case on hand,
there shall not be any deemed lapse under Section 24(2) of the Act,
2013. Under the circumstances, the impugned judgment and order passed
by the High Court is unsustainable and the same deserves to be quashed
and set aside and is accordingly quashed and set aside.

Present appeal is accordingly allowed. No costs.

Pending application, if any, also stands disposed of.