

Supreme Court of India

M/S. Star Wire (India) Ltd vs The State Of Haryana & Ors on 25 September, 1996

Bench: K. Ramaswamy, S.B. Majmudar

PETITIONER:

M/S. STAR WIRE (INDIA) LTD.

Vs.

RESPONDENT:

THE STATE OF HARYANA & ORS.

DATE OF JUDGMENT: 25/09/1996

BENCH:

K. RAMASWAMY, S.B. MAJMUDAR

ACT:

HEADNOTE:

JUDGMENT:

O R D E R Delay condoned.

This special leave petition arises from the judgment of the Punjab & Haryana High Court made on April 25, 1996 in LPA No. 437/96. Notification under Section 4(1) of the Land Acquisition Act, 1894 [for short, the 'Act'] was published on June 1, 1976. Declaration under Section 6 of the Act was published on February 16, 1977. The award was passed on July 3, 1981. Thereafter, the reference also become final. The petitioner has challenged the notification, the declaration and the award as illegal, it contends that the award does not come in the way of the petitioner in filing the writ petition on January 21, 1994. The High Court has dismissed the writ petition on the grounds of laches.

Shri P.P. Rao, learned senior counsel for the petitioner, contends that the petitioner had no knowledge of the acquisition proceedings; as soon as it came to know of the acquisition, it had challenged the validity of the acquisition proceedings and, therefore, it furnishes cause of action to the petitioner. He further contends that the writ petition could not be dismissed on the ground of laches but was required to be considered on merits. We find no force in the contention. Any encumbrance created by the erstwhile owner of the land after publication of the notification under Section 4(1) does not bind the State if the possession of land is already taken over after the award came to be passed. The land stood vested in the State free from all encumbrances under Section 16.

In *Gurmukh Singh & Ors. vs. The State of Haryana* [J] 1995 (8) SC 208], this Court had held that a subsequent purchaser is not entitled to challenge the legality of the acquisition proceedings on the ground of lack of publication of the notification. In *Y.N. Garg vs State of Rajasthan* [1996 (1) SCC 284] and *Sneh Prabha vs. State of U.P.* [1996 (7) 325], this Court had held the alienation made by the erstwhile owner of the land after publication of the notification under Section 4(1), do not bind either the State Government or the beneficiary for whose benefit the land was acquired. The purchaser does not acquire any valid title. Even the colour of title claimed by the purchaser was void. The beneficiary is entitled to have absolute possession free from encumbrances. In *U.P. Jal Nigam, Lucknow through its Chairman & Anr. vs. M/s Kalra Properties (P) Ltd., Lucknow & Ors.* {(1996) 1 SCC 124], this Court had further held that the purchaser of the property, after the notification under Section 4(1) was published, is devoid of right to challenge the validity of the notification or irregularity in taking possession of the land before publication of the declaration under Section 6. As regards laches in approaching the Court, this Court has been consistently taking the view starting from *State of Madhya Pradesh & Anr. vs. Bhailal Bhai & Ors.* [AIR 1964 SC 1006] wherein a Constitution Bench had held that it is not either desirable or expedient to lay down a rule of universal application but the unreasonable delay denies to the petitioner, the discretionary extraordinary remedy of mandamus, certiorari or any other relief. The same was view reiterated in catena of decisions, viz., *Rabindranath Bose & Ors. vs. The Union of India & Ors.* [(1970 (1) SCC 84]; *State of Mysore & Ors. vs. Narsimha Ram Naik* [AIR 1975 SC 2190]; *Aflatoon & Anr. vs. Lt. Governor of Delhi* [ (1975) 4 SCC 285]; *M/s. Tilokchand Motichand & Ors. vs. H.B. Munshi, Commissioner of Sales Tax, Bombay & Anr.* [AIR 1970 SC 898]; *State of Tamil Nadu & Ors. etc. V. L. Krishnan & Ors. etc.* [JT 1995 (8) SC 1]; *Improvement Trust, Faridkot & Ors. vs. Jagjit Singh & Ors.* [1987 Supp. SCC 608]; *State of Punjab & Ors. vs. Hari Om Co-operative House Building Society Ltd., Amritsar* [1987 Supp. SCC 687]; *Market Committee, Hodal vs. Krishan Murari & Ors.* [JT 1995 (8) SC 494] and *State of Haryana vs. Dewan Singh* [(1996 (7) SCC 394] wherein this Court had held that the High Court was not justified in interfering with the acquisition proceedings. This Court in the latest judgement in *Municipal Corporation of Great Bombay vs. The Industrial Development & Investment Co. Pvt. Ltd. & Ors.* [JT 1996 (8) SC 16], reviewed the entire case law and held that the person who approaches the Court belatedly will be told that laches close the gates of the Court for him to question the legality of the notification under Section 4(1), declaration under Section 6 and the award of the Collector under Section 11.

In this case, admittedly, the petitioner has purchased the property covered by the notification under Section 4(1) after it was published and, therefore, it's title is a void title. It has no right to challenge the acquisition proceedings much less the award. The Division Bench of the High Court has exhaustively reviewed the case law to negate the claim of the petitioner. We do not find any illegality in the judgment of the High Court warranting interference.

The special leave petition is accordingly dismissed.