

Dharnidhar Mishra (D) and Another

v.

State of Bihar and Others

(Civil Appeal No 6351 of 2024)

13 May 2024

[J.B. Pardiwala and Manoj Misra, JJ.]

Issue for Consideration

A land owned by the appellant was acquired and he did not receive any compensation for the same. Before the Division Bench of the High Court, the appellant was informed that value of land was Rs. 4,68,099/- . The Division Bench of the High Court disposed of the Letters Patent Appeal by asking the appellant to file an appropriate application before the concerned authority for disbursement of the value of the land. Whether the High Court committed any error in passing the impugned order.

Headnotes

Land Acquisition Act, 1894 – Payment of compensation – In the year 1977, a land owned by appellant was acquired – Compensation was not paid – The Single Judge of the High Court rejected the writ petition on the count that the petition had been filed after a period of forty-two years of the acquisition – However, the Division Bench of the High Court asked the appellant to file an appropriate application before the concerned authority for disbursement of the value of the land assessed at Rs 4,68,099/- – Correctness:

Held: The High Court in its impugned order has stated that the appellant herein has been informed about the value of the land assessed at Rs 4,68,099 – There is no reason as to on what basis this figure has been arrived at; at what point of time this amount came to be assessed; and the basis for the assessment of such amount – The High Court should have enquired with the State as to why in the year 1977 itself, that is the year in which the land came to be acquired, the award for compensation was not passed – The High Court did not enquire why it took forty-two years for the State to determine the figure of Rs 4,68,099 – The High Court should also have asked the State the basis of the determination of the amount towards compensation – It is a well settled position

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of law that after the award towards compensation is passed, if the owner of the land is not satisfied with the quantum, he can even file an appeal for the enhancement of the same – The High Court proceeded on the footing that the amount of Rs 4,68,099 has been assessed and it is now for the appellant to file an appropriate application and get the amount disbursed in his favour – The approach adopted by the High Court is not convincing – The State cannot dispossess a citizen of his property except in accordance with the procedure established by law – The obligation to pay compensation, though not expressly included in Article 300-A of the Constitution, can be inferred in that Article – The Single Judge of the High Court rejected the writ petition only on the ground of delay – It is settled that delay and laches cannot be raised in a case of a continuing cause of action or if the circumstances shock the judicial conscience of the court – In a case where the demand for justice is so compelling, a constitutional court would exercise its jurisdiction with a view to promote justice, and not defeat it – In the circumstances, the impugned order passed by the High Court is set aside and the matter is remitted to the High Court for fresh consideration. [Paras 13, 14, 18, 25, 26, 29]

Case Law Cited

Hindustan Petroleum Corp. Ltd. v. Darius Shapur Chenai [\[2005\] Supp. 3 SCR 388](#) : (2005) 7 SCC 627; *N. Padmamma v. S. Ramakrishna Reddy* [\[2008\] 9 SCR 535](#) : (2008) 15 SCC 517; *Delhi Airtech Services (P) Ltd. v. State of U.P.* [\[2011\] 12 SCR 191](#) : (2011) 9 SCC 354; *Jilubhai Nanbhai Khachar v. State of Gujarat* [\[1994\] Supp. 1 SCR 807](#) : (1995) Supp 1 SCC 596; *Tukaram Kana Joshi v. MIDC* [\[2012\] 13 SCR 29](#) : (2013) 1 SCC 353 – relied on.

K.T. Plantation (P) Ltd. v. State of Karnataka [\[2011\] 13 SCR 636](#) : (2011) 9 SCC 1; *State of Haryana v. Mukesh Kumar* [\[2011\] 14 SCR 211](#) : (2011) 10 SCC 404; *Vidya Devi v. The State of Himachal Pradesh & Ors.* [\[2020\] 1 SCR 749](#) : (2020) 2 SCC 569; *P.S. Sadashivaswamy v. State of T.N.* [\[1975\] 2 SCR 356](#) : (1975) 1 SCC 152 – referred to.

List of Acts

Land Acquisition Act, 1894; Constitution of India.

Digital Supreme Court Reports**List of Keywords**

Acquisition of land; Payment of compensation; Assessment of the value of land; Delay in filing petition; Determination of compensation; Dispossession from property; Obligation to pay compensation; Delay and laches; Promotion of justice.

Case Arising From

CIVIL APPELLATE JURISDICTION: Civil Appeal No. 6351 of 2024

From the Judgment and Order dated 07.02.2023 of the High Court of Judicature at Patna in LPA No. 997 of 2019

Appearances for Parties

Dharnidhar Jha, Sr. Adv., Jayesh Gaurav, Ms. Diksha Ojha, Ishwar Chandra Roy, Ranjan Nikhil Dharnidhar, Advs. for the Appellants.

Anshul Narayan, Prem Prakash, Advs. for the Respondents.

Judgment / Order of the Supreme Court**Order**

- 1 Application for substitution to bring on record the legal heirs of the first petitioner is allowed. Cause title be amended accordingly.
- 2 Leave granted.
- 3 This appeal arises from a order passed by the High Court of Judicature at Patna dated 7 February 2023 in the Letters Patent Appeal No 997 of 2019 in Civil Writ Jurisdiction Case No 8408 of 2019 by which the Division Bench of the High Court disposed of the Letters Patent Appeal by asking the appellant herein to file an appropriate application before the concerned authority for disbursement of the value of the land assessed at Rs 4,68,099.
- 4 The facts giving rise to this appeal may be summarized as under:

In the year 1976, a notification under Section 4 of the Land Acquisition Act was issued for the purpose of construction of State Highway as notified by the State of Bihar. The land owned by the appellant herein was included in Section 4 notification referred to above. Sometime in 1977, the land of the appellant was acquired. However, it is the case of the appellant that not a single penny was paid to him towards compensation.

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- 5 The appellant preferred an appropriate application addressed to the State Government immediately after his land came to be acquired and possession was taken over in the year 1977 for payment of compensation. It is the case of the appellant that State did not even pass any award of compensation and kept the matter in limbo.
- 6 Years passed by and the appellant kept on requesting the authorities to pass an appropriate award and pay the amount towards compensation.
- 7 As the respondents did not pay heed to the say of the appellant, he was left with no other option but to file a writ petition in the High Court of Patna. The writ petition was heard by a learned Single Judge and by order dated 19 July 2019 rejected the same only on the count that the petition had been filed after a period of forty-two years of the acquisition. While dismissing the writ petition, the learned Single Judge also observed that the appellant had failed to submit any paper or notification in connection with acquisition of his land for the purpose of payment of compensation.
- 8 Being dissatisfied with the order passed by the learned Single Judge rejecting his writ petition, the appellant went in appeal. The appeal came to be disposed of by a Division Bench in the following terms:

“A hard copy of the supplementary affidavit on behalf of the State has been filed across the Board.

Let it be taken on record.

In view of the categorical stand of the State that the land of the appellants had been consumed and that the State is ready to compensate the appellants, nothing remains in this appeal to be decided.

The appellants have been informed about the value of the land has been assessed at Rs 4,68,099/- .

All that the appellants have to do is to file an application before the concerned authority as to how the amount shall be apportioned between him and his son.

It is expected that the decision in that regard by the State Authority shall be taken without any delay as already the matter has become five decades old.

The appeal stands disposed of.”

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- 9 Mr. Dharnidhar Jha, the learned senior counsel appearing for the appellant submitted that the State conceded to the fact that the land of the appellant had been acquired and was put to use for the purpose the same was acquired. He would submit that if the State thought fit to acquire the land of his client, then it was obligatory on the part of the State to pass an appropriate award determining the amount towards compensation. He would submit that it is not the case that the appellant herein was lethargic in asserting his rights, but rather kept on requesting the authorities concerned to determine the amount towards compensation and pay the same.
- 10 On the other hand, the learned counsel appearing for the State of Bihar submitted that no error, not to speak of any error of law could be said to have been committed by the High Court in passing the impugned order. He would submit that it is not in dispute that the land of the appellant was acquired for a public purpose, but at the same time, it was the duty of the appellant to pursue the matter further for the purpose of getting appropriate compensation determined in accordance with law.
- 11 Having heard the learned counsel appearing for the parties and having gone through the materials on record, the only question that falls for our consideration is whether the High Court committed any error in passing the impugned order.
- 12 We take notice of the fact that the Single Judge of the High Court thought fit to reject the writ petition only on the ground of delay and in appeal, the appellate court disposed of the appeal asking the appellant herein to file an application before the concerned authority for disbursement of the amount of compensation.
- 13 We take notice of two things: First, the High Court in its impugned order has stated that the appellant herein has been informed about the value of the land assessed at Rs 4,68,099. We fail to understand on what basis this figure has been arrived at; at what point of time this amount came to be assessed; and the basis for the assessment of such amount. Secondly, the order of the High Court could be said to be a non-speaking order. Although at this stage, the learned counsel appearing for the State of Bihar submitted that it was an order obtained with the consent of the parties, yet there is nothing to indicate that any consent was given by the appellant herein to pass such an order.

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- 14 The first thing that the High Court should have enquired with the State is as to why in the year 1977 itself, that is the year in which the land came to be acquired, the award for compensation was not passed. The High Court should have enquired why it took forty-two years for the State to determine the figure of Rs 4,68,099. The High Court should also have asked the State the basis of the determination of the amount towards compensation. It is a well settled position of law that after the award towards compensation is passed, if the owner of the land is not satisfied with the quantum, he can even file an appeal for the enhancement of the same. The High Court proceeded on the footing that the amount of Rs 4,68,099 has been assessed and it is now for the appellant to file an appropriate application and get the amount disbursed in his favour.
- 15 We are not convinced but rather disappointed with the approach of the High Court while disposing of the appeal.
- 16 There are many issues arising in this litigation and the High Court should have taken little pains to ask the State why it made the appellant run from pillar to post. It is sad to note that the appellant passed away fighting for his right to receive compensation. Now the legal heirs of the appellant are pursuing this litigation.
- 17 In 1976, when the land of the appellant came to be acquired the right to property was a fundamental right guaranteed by Article 31 in Part III of the Constitution. Article 31 guaranteed the right to private property, which could not be deprived without due process of law and upon just and fair compensation.
- 18 The right to property ceased to be a fundamental right by the Constitution (Forty-Fourth Amendment) Act, 1978, however, it continued to be a human right in a welfare State, and a constitutional right under Article 300-A of the Constitution. Article 300-A provides that no person shall be deprived of his property save by authority of law. The State cannot dispossess a citizen of his property except in accordance with the procedure established by law. The obligation to pay compensation, though not expressly included in Article 300-A, can be inferred in that Article. [See: *K.T. Plantation (P) Ltd. v. State of Karnataka*, (2011) 9 SCC 1]
- 19 In *Hindustan Petroleum Corp. Ltd. v. Darius Shapur Chennai* reported in (2005) 7 SCC 627, this Court held that:

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“6. ... Having regard to the provisions contained in Article 300-A of the Constitution, the State in exercise of its power of “eminent domain” may interfere with the right of property of a person by acquiring the same but the same must be for a public purpose and reasonable compensation therefor must be paid.”

(Emphasis supplied)

- 20 In *N. Padmamma v. S. Ramakrishna Reddy* reported in (2008) 15 SCC 517, this Court held that:

“21. If the right of property is a human right as also a constitutional right, the same cannot be taken away except in accordance with law. Article 300-A of the Constitution protects such right. The provisions of the Act seeking to divest such right, keeping in view of the provisions of Article 300-A of the Constitution of India, must be strictly construed.”

(Emphasis supplied)

- 21 In *Delhi Airtel Services (P) Ltd. v. State of U.P.* reported in (2011) 9 SCC 354, this Court recognised the right to property as a basic human right in the following words:

“30. It is accepted in every jurisprudence and by different political thinkers that some amount of property right is an indispensable safeguard against tyranny and economic oppression of the Government. Jefferson was of the view that liberty cannot long subsist without the support of property. “Property must be secured, else liberty cannot subsist” was the opinion of John Adams. Indeed the view that property itself is the seed-bed which must be conserved if other constitutional values are to flourish, is the consensus among political thinkers and jurists.”

(Emphasis supplied)

- 22 In *Jilubhai Nanbhai Khachar v. State of Gujarat* reported in 1995 Supp (1) SCC 596, this Court held as follows:

“48. ... In other words, Article 300-A only limits the powers of the State that no person shall be deprived of

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his property save by authority of law. *There has to be no deprivation without any sanction of law. Deprivation by any other mode is not acquisition or taking possession under Article 300-A.* In other words, if there is no law, there is no deprivation.”

(Emphasis supplied)

- 23 In *Tukaram Kana Joshi v. MIDC* reported in (2013) 1 SCC 353, this Court held that the State must comply with the procedure for acquisition, requisition, or any other permissible statutory mode. The State being a welfare State governed by the rule of law cannot arrogate to itself a status beyond what is provided by the Constitution.
- 24 This Court in *State of Haryana v. Mukesh Kumar* reported in (2011) 10 SCC 404 held that the right to property is now considered to be not only a constitutional or statutory right, but also a human right. Human rights have been considered in the realm of individual rights such as right to shelter, livelihood, health, employment, etc. Human rights have gained a multi-faceted dimension.
- 25 We regret to state that the learned Single Judge of the High Court did not deem fit even to enquire with the State whether just and fair compensation was paid to the appellant or not. The learned Single Judge rejected the writ petition only on the ground of delay. As held by this court in *Vidya Devi v. The State of Himachal Pradesh & Ors.* reported in (2020) 2 SCC 569, delay and laches cannot be raised in a case of a continuing cause of action or if the circumstances shock the judicial conscience of the court. The condition of delay is a matter of judicial discretion, which must be exercised judiciously and reasonably in the facts and circumstances of the case. As held by this Court, it would depend upon the breach of fundamental rights, and the remedy claimed, and when and how the delay arose. There is no period of limitation prescribed for the courts to exercise their constitutional jurisdiction to do substantial justice.
- 26 In a case where the demand for justice is so compelling, a constitutional court would exercise its jurisdiction with a view to promote justice, and not defeat it. [See: *P.S. Sadasivaswamy v. State of T.N.*, (1975) 1 SCC 152]
- 27 In *Tukaram Kana Joshi v. MIDC* reported in (2013) 1 SCC 353, this Court while dealing with a similar fact situation, held as follows:

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“11. There are authorities which state that delay and laches extinguish the right to put forth a claim. Most of these authorities pertain to service jurisprudence, grant of compensation for a wrong done to them decades ago, recovery of statutory dues, claim for educational facilities and other categories of similar cases, etc. Though, it is true that there are a few authorities that lay down that delay and laches debar a citizen from seeking remedy, even if his fundamental right has been violated, under Article 32 or 226 of the Constitution, the case at hand deals with a different scenario altogether. The functionaries of the State took over possession of the land belonging to the appellants without any sanction of law. The appellants had asked repeatedly for grant of the benefit of compensation. The State must either comply with the procedure laid down for acquisition, or requisition, or any other permissible statutory mode.”

(Emphasis supplied)

- 28 In such circumstances referred to above, we are of the view that we should set aside the impugned order passed by the High Court and remit the matter for fresh consideration.
- 29 In the result, this appeal succeeds and is hereby allowed. The impugned order passed by the High Court is set aside and the matter is remitted to the High Court for fresh consideration. Letters Patent Appeal No 997 of 2019 is restored to its original file. The High Court shall hear both the sides and pass an appropriate order in accordance with what has been observed by this Court in this order. We request the High Court to decide the matter within a period of two months from today.
- 30 Pending applications, if any, stand disposed of.

Headnotes prepared by: Ankit Gyan

Result of the case:
Appeal allowed.