

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. _____ OF 2023
(Arising from SLP(C)No. _____ of 2023
@ Diary No.658/2023)

DELHI DEVELOPMENT AUTHORITY

APPELLANT (S)

VERSUS

GAJENDRA SINGH & ORS.

RESPONDENT (S)

O R D E R

Though served, none has appeared on behalf of contesting respondent nos.1 to 5.

Delay condoned.

Leave granted.

Feeling aggrieved and dissatisfied with the impugned judgment and order dated 22-12-2014 passed by the High Court of Delhi at New Delhi in Writ Petition (C) No.7862/2014, 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 under Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (for short the '2013 Act'), the Delhi Development Authority [DDA] has preferred the present Appeal.

Before the High Court, it was the specific case on behalf of the acquiring body and so stated in the counter affidavit that the possession of the disputed land in question could not be taken due to stay. However, thereafter, relying upon the decision of this Court in the case of Pune Municipal Corporation & Anr. vs.

Harakchand Misirimal Solanki & Ors., (2014) 3 SCC 183 and on the

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ground that neither the possession has been taken nor the compensation is paid, the acquisition is deemed to have lapsed under Section 24(2) of the 2013 Act.

The decision of this Court in Pune Municipal Corporation & Anr. (supra) has been overruled by the Constitution Bench of this Court in the case of Indore Development Authority vs. Manoharlal and Others, (2020) 8 SCC 129. In paragraphs 365 and 366, it is observed and held as under -

"365. Resultantly, the decision rendered in Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] is hereby overruled and all other decisions in which Pune Municipal Corpn. [Pune Municipal Corpn. 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.

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.

366.3. The word "or" used in Section 24(2) between possession and compensation has to be read as "nor" or
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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.

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.

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.

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) .

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

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possession has been taken there is no lapse under Section 24(2).

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.

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."

Applying the law laid down by this Court in Indore Development Authority (supra) to the facts of the case on hand and when the possession of the land in question could not be taken due to stay/pending litigation, there shall not be any deemed lapse of acquisition as observed and held by the High Court. 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.

The present appeal is accordingly allowed. No costs.

..... J.
(M.R. SHAH)

..... J.
(C.T. RAVIKUMAR)

New Delhi;
April 24, 2023.

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

SPECIAL LEAVE PETITION (CIVIL) Diary No(s). 658/2023

(Arising out of impugned final judgment and order dated 22-12-2014 in WPC No. 7862/2014 passed by the High Court Of Delhi at New Delhi)

DELHI DEVELOPMENT AUTHORITY

Petitioner(s)

VERSUS

GAJENDRA SINGH & ORS.

Respondent(s)

(FOR ADMISSION and I.R. and IA No.13823/2023-CONDONATION OF DELAY IN FILING and IA No.13824/2023-EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT and IA No.13825/2023-EXEMPTION FROM FILING O.T.)

Date : 24-04-2023 This petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE M.R. SHAH

HON'BLE MR. JUSTICE C.T. RAVIKUMAR

For Petitioner(s) Ms. Shalini Chandra, AOR
Mr. Abhishek Kumar Pandey, Adv.

For Respondent(s) Ms. Sujeeta Srivastava, AOR

UPON hearing the counsel the Court made the following
O R D E RThough served, none has appeared on behalf of contesting
respondent nos.1 to 5.

Delay condoned.

Leave granted.

The appeal is allowed in terms of the signed order.

Pending application(s) shall stand disposed of.

(NEETU SACHDEVA)
ASTT. REGISTRAR-cum-PS(NISHA TRIPATHI)
ASSISTANT REGISTRAR

(signed order is placed on the file)