

THE HIGH COURT OF DELHI AT NEW DELHI

%

Judgment delivered on: 27.01.2015

+ **W.P.(C) 8617/2014 and CM No. 19861/2014**

LUV MALHOTRA & ANR

.... Petitioners

versus

UNION OF INDIA & ORS

.... Respondents

Advocates who appeared in this case:

For the Petitioners : Dr Vikrant Narayan Vasudeva with Mr Pratap Paliwal
For the Respondent No. 1 : Mr Dev P. Bhardwaj
For the Respondent No. 2 : Mr Yeeshu Jain, Ms Jyoti Tagi, Mr Siddharth Panda,
Mr Sanjay Kumar Pathak and Mr Sunil Kumar Jha
For the Respondent No. 3 : Mr Arjun Pant, Mr Dhanesh Relan and Mr Arush
Bhandari

CORAM:-

HON'BLE MR JUSTICE BADAR DURREZ AHMED

HON'BLE MR JUSTICE SANJEEV SACHDEVA

JUDGMENT

BADAR DURREZ AHMED, J (ORAL)

1. The counter affidavit filed on behalf of the respondent No. 2 is taken on record. The learned counsel for the petitioners does not wish to file any rejoinder affidavit as the necessary averments are contained in the writ petition itself.

2. The petitioners seek the benefit of Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and

Resettlement Act, 2013 (hereinafter referred to as 'the 2013 Act') which came into effect on 01.01.2014. A declaration is sought to the effect that the acquisition proceeding, which is the subject matter of the present writ petition, ought to be deemed to have lapsed in view of Section 24(2) of the 2013 Act.

3. The Award under the Land Acquisition Act, 1894 (hereinafter referred to as 'the 1894 Act') was made vide Award No.1/07-08 and it was in respect of, *inter alia*, the petitioners' land comprised in Khasra Nos. 19/17(4-16), 24(4-16), 30/4 (4-16), 7 (4-16), 30/6/1 (0-06) and 15/1 (0-07) measuring 19 bighas and 4 biswas in all in village Bamnoli.

4. It is an admitted position that the physical possession of the subject land has not been taken by the land acquiring agency. However, the learned counsel for the respondents contend that the physical possession could not be taken because of the operation of the stay order passed in W.P.(C) No.1667-68/2006. It is an admitted position that the stay order continued to operate till 01.01.2014 when the 2013 Act came into effect. This aspect of the matter concerning the submission that possession could not be taken because of the operation of the stay order and that in such a situation the respondents should not be prejudiced, was considered by this

Court in the case of **Jagjit Singh & Ors. vs. UOI & Ors:** W.P.(C) **2806/2004** and other connected matters which were decided by this Court on 27.05.2014. In that decision, this Court observed as under:-

“8. The learned counsel for the respondents also submitted that no party can be put to a disadvantage because of an act of the Court. Since this Court had passed interim orders, it cannot work to the disadvantage of the respondents.

9. We have already set out section 24 of the new Act in its entirety. It is evident that section 24(2) of the new Act is a non-obstante provision. The conditions which are required to be satisfied before the deeming provision is triggered are:-

- (i) The award should have been made under section 11 of the old Act, more than five years prior to the commencement of the new act; and
- (ii) Physical possession of the land in question should not have been taken; or
- (iii) The compensation should not have been paid.

These conditions are unqualified. It does not matter as to what was the reason behind the non-payment of compensation or for not taking possession. If the legislature wanted to qualify the above conditions by excluding the period during which the proceedings of acquisition of land were held up on account of stay or injunction by way of an order of a Court, it could have been expressly spelt out. In fact, whenever the legislature thought that it was necessary to spell out such an intention, it did. An example of this is to be found in the first proviso to section 19 (7) of the new Act which is as under:-

“19(7).....Provided that in computing the period referred to in this sub-section, any period or periods during which the proceedings for the acquisition of the land were held up on account of any stay or injunction by the order of any Court shall be excluded.”

10. Furthermore, it would be instructive to refer to the decision of the Supreme Court in the case of ***Pandurang Vinayak*** (*supra*) which has been relied upon by Mr Sethi, the learned senior counsel appearing on behalf of the petitioners. In that decision the purpose and meaning of a statutory fiction was being considered. While doing so, the Supreme Court referred to an English decision in the case of ***East End Dwelling Co. Ltd. v. Finsbury Borough Council*: (1952) A.C. 109** and in particular to an observation of Lord Asquith which was to the following effect:-

“If you are bidden to treat an imaginary state of affairs as real, you must surely, unless prohibited from doing so, also imagine as real the consequences and incidents which, if the putative, state of affairs had in fact existed, must inevitably have flowed from or accompanied it.The statue says that you must imagine a certain state of affairs; it does not say that having done so, you must cause or permit your imagination to boggle when it comes to the inevitable corollaries of that state of affairs.”

11. Following the above observation, it is obvious that the deeming provision of section 24(2) is a legal fiction which is a created and an imagined situation. We ought not to be concerned with the inevitable corollaries that may flow out of it unless there is a clear prohibition

in the statute itself. Once the state of affairs is imagined as real, the consequences and instances would also have to be imagined as real. Therefore, the fact that the possession could not have been taken by the respondents because of interim orders of the Court, would not in any way prevent this Court from imagining the state of affairs stipulated in Section 24(2) of the new Act. The only conditions that are required for the deeming provisions to be triggered are that the award must have been made five years or more prior to the commencement of the new Act and that either physical possession of the land has not been taken or that the compensation has not been paid. In fact in these writ petitions all the conditions stands satisfied. Therefore, the contention of the learned counsel for the respondent cannot be accepted.”

5. As a consequence, it has to be held that the respondents did not take physical possession of the subject land. With regard to the element of compensation, it is an admitted position that compensation has not been paid in respect of the said land. The Award was also made more than five years prior to the commencement of the 2013 Act. Therefore, all the ingredients of Section 24(2) of the 2013 Act as interpreted by the Supreme Court and this Court in the following decisions stand satisfied:-

- (1) **Pune Municipal Corporation and Anr v. Harakchand Misirimal Solanki and Ors: (2014) 3 SCC 183;**
- (2) **Union of India and Ors v. Shiv Raj and Ors: (2014) 6 SCC 564;**

- (3) **Sree Balaji Nagar Residential Association v. State of Tamil Nadu and Ors:** Civil Appeal No. 8700/2013 decided on 10.09.2014;
- (4) **Surender Singh v. Union of India & Others:** WP(C) 2294/2014 decided on 12.09.2014 by this Court; and
- (5) **Jagjit Singh & Ors. vs. UOI & Ors:** W.P.(C) 2806/2004 decided on 27.05.2014.

6. The learned counsel for the respondent, however, places reliance on the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Ordinance, 2014, which came into effect on 31.12.2014 whereby the second Proviso has been added to sub-section (2) to Section 24 of the 2013 Act. The said plea, however, is no longer available to the respondents in view of the decision of the Supreme Court in the case of **M/s Radiance Fincap (P) & Ors. v. Union of India & Ors.** decided on 12.01.2015 in Civil Appeal No.4283/2011 wherein the Supreme Court has held as under:

“The right conferred to the land holders/owners of the acquired land under Section 24(2) of the Act is the statutory right and, therefore, the said right cannot be taken away by an Ordinance by inserting proviso to the abovesaid sub-section without giving retrospective effect to the same.”

The same view has also been reiterated in **Kernail Kaur & Ors v. State of Punjab & Ors**, Civil Appeal No. 7424/2013 decided by the Supreme Court on 22.01.2015.

7. It is evident from the above that the Ordinance is prospective and rights created in favour of the petitioners as on 01.01.2014 are undisturbed by the virtue of the said Ordinance.

8. As a result, the petitioners are entitled to a declaration that the said acquisition proceedings initiated under the 1894 Act in respect of the subject land are deemed to have lapsed. It is so declared.

9. The writ petition is allowed to the aforesaid extent. There shall be no order as to costs.

BADAR DURREZ AHMED, J

SANJEEV SACHDEVA, J

JANUARY 27, 2015
SU