



W.P. (MD) No. 4613 of 2014

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated : 17.04.2023

CORAM:

THE HONOURABLE MR. JUSTICE **B.PUGALENDHI**

W.P. (MD) No.4613 of 2014

and

M.P (MD) No.1 of 2014

K.Sundari

... Petitioner

Vs.

1.The State of Tamil Nadu,
Rep. by its Secretary to Government,
Housing and Urban Development Department,
Fort St.George, Chennai - 9.

2.The Revenue Divisional Officer cum
Land Acquisition Officer,
Ramanathapuram.

3.The Executive Engineer,
Tamil Nadu Housing Board,
Ramanathapuram Housing Unit,
Ramanathapuram - 623 501.

... Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India seeking issuance of a Writ of Declaration to declare the entire acquisition proceedings as lapsed, in view of the award dated 28.03.2003 in award No.Na.Ka.A1/12674/89 issued by the second respondent in respect of Ramanathapuram Taluk, Sakkarakottai Village S.No.144/3 as per patta No.551,553/92 S.No.144/3A1C and etc., Ramanathapuram Taluk to an extent of 4 1/8 cents



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ie., 1784 1/2 sq.ft land of the land acquired for Tamil Nadu Housing Board after the expiry of two years and in violation of Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

For Petitioner : Mr.A.S.Mujibur Rahman

For Respondents : Mr.S.Shaji Bino,
Special Government Pleader
for R.1, R.2

Mr.S.Sumesh,
Standing Counsel for R.3

O R D E R

This writ petition is filed by the petitioner seeking issuance of a Writ of Declaration to declare the land acquisition proceedings as lapsed, in view 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 Act').

2. The petitioner has come up with the present writ petition to declare the impugned acquisition proceedings as lapsed on the grounds that she is still in possession of the property and the possession was not taken away from



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him and; that she was neither offered nor paid with any compensation amount, till date, for the alleged acquisition; that she was not put on notice; that her name was not found place in the notifications issued by the respondents; and that the Award was not passed in her name.

3. The learned Counsel appearing for the respondents submitted that possession of the land was taken over as early as on 28.03.2003, by drawing memorandum / panchanama. He further submitted that a sum of Rs.1,66,12,217/- was deposited in revenue deposit on 20.03.2003 and a cheque for a sum of Rs.1,36,66,083/- was deposited vide cheque no.0281568 dated 31.08.2015 before the civil Court.

4. In **Indore Development Authority v. Manoharlal & Others**, reported in **2020 (5) SCALE 34**, a Constitution Bench of the Hon'ble Supreme Court has held that the term 'paid' does not include 'deposit'. But, in the event of the authority being prevented from making payment, the available option is to deposit the compensation amount.



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The Court has further held that such deposit in treasury, instead of Court, causes no prejudice to the landowners, as such, the acquisition would not lapse. The relevant portion, in this regard, from the said decision is extracted thus:

“224. Thus, in our opinion, the word “paid” used in [Section 24\(2\)](#) does not include within its meaning the word “deposited”, which has been used in the proviso to [Section 24\(2\)](#). [Section 31](#) of the Act of 1894, deals with the deposit as envisaged in [Section 31\(2\)](#) on being ‘prevented’ from making the payment even if the amount has been deposited in the treasury under the Rules framed under [Section 55](#) or under the Standing Orders, that would carry the interest as envisaged under [Section 34](#), but acquisition would not lapse on such deposit being made in the treasury. In case amount has been tendered and the landowner has refused to receive it, it cannot be said that the liability arising from non-payment of the amount is that of lapse of acquisition. Interest would follow in such a case also due to non-deposit of the amount. Equally, when the landowner does not accept the amount, but seeks a reference for higher compensation, there can be no question of such individual stating that he was not paid the amount (he was determined to be entitled to by the collector). In such case, the landowner would be entitled to the compensation determined by the Reference court.

... ..

230. Deposit in treasury in place of deposit in court causes no prejudice to the landowner or any other stakeholder as their interest is adequately safeguarded by the provisions contained in [Section 34](#) of the Act of 1894, as it ensures higher rate of interest than any other Government



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securities. Their money is safe and credited in the earmarked quantified amount and can be made available for disbursement to him/them. There is no prejudice caused and every infraction of law would not vitiate the act."

5. The Hon'ble Supreme Court in the said decision has also held that either if compensation has been paid or possession has been taken, then there cannot be any lapse in the acquisition proceedings. For better appreciation, the relevant portion is extracted thus:

"363.3. 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."

6. In the case on hand, though the petitioner has denied the factum of compensation, it is evident from the submission made by the learned Counsel for the respondents that the compensation amount has been deposited. Therefore, notwithstanding the taking over of possession,



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on this ground alone, the writ petition is liable to be dismissed.

7. The petitioner has also taken a stand that she was not put on notice; the award was not passed in her name; she is in peaceful possession and occupation of the property. This Court is not inclined to accede this contention, inasmuch as it the stand of the respondents that they have issued notice to the landholder, as per the revenue records; passed award on the name of the landholder, as per the revenue records. They have also circulated the notices in the Village Taluk Offices, Sub Registrar Offices, and Collectorates. For the failure on the part of the petitioner in taking steps to mutate the revenue records immediately after her purchase, the respondents cannot be found fault with.

8. With regard to the plea of retaining the possession, it is admitted by the petitioner that in view of the interim order, the respondents have not taken physical possession. Therefore, this ground would not give much strength to her case, inasmuch as the compensation



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has been deposited, at least after some efforts to pay the same. If the respondents had already taken possession and the petitioner still retain the same, then she is to be considered as trespasser, who has trespassed upon the property. In this regard, in the **Indore Development Authority's** case (supra), the Hon'ble Supreme Court has held as follows:

"... ..

256. Thus, it is apparent that vesting is with possession and the statute has provided under [Sections 16 and 17](#) of the Act of 1894 that once possession is taken, absolute vesting occurred. It is an indefeasible right and vesting is with possession thereafter. The vesting specified under [section 16](#), takes place after various steps, such as, notification under [section 4](#), declaration under [section 6](#), notice under [section 9](#), award under [section 11](#) and then possession. The statutory provision of vesting of property absolutely free from all encumbrances has to be accorded full effect. Not only the possession vests in the State but all other encumbrances are also removed forthwith. The title of the landholder ceases and the state becomes the absolute owner and in possession of the property. Thereafter there is no control of the land- owner over the property. He cannot have any animus to take the property and to control it. Even if he has retained the possession or otherwise trespassed upon it after possession has been taken by the State, he is a trespasser and such possession of trespasser enures for his benefit and on behalf of the owner.

... ..



277. The court is alive to the fact that there are a large number of cases where, after acquisition land has been handed over to various corporations, local authorities, acquiring bodies, etc. After depositing compensation (for the acquisition) those bodies and authorities have been handed possession of lands. They, in turn, after development of such acquired lands have handed over properties; third party interests have intervened and now declaration is sought under the cover of [section 24\(2\)](#) to invalidate all such actions. As held by us, [section 24](#) does not intend to cover such cases at all and such gross misuse of the provisions of law must stop. Title once vested, cannot be obliterated, without an express legal provision; in any case, even if the landowners' argument that after possession too, in case of non-payment of compensation, the acquisition would lapse, were for arguments' sake, be accepted, these third party owners would be deprived of their lands, lawfully acquired by them, without compensation of any sort. Thus, we have no hesitation to overrule the decisions in *Velaxan Kumar (supra)* and *Narmada Bachao Andolan (supra)*, with regard to mode of taking possession. We hold that drawing of Panchnama of taking possession is the mode of taking possession in land acquisition cases, thereupon land vests in the State and any re-entry or retaining the possession thereafter is unlawful and does not inure for conferring benefits under [section 24\(2\)](#) of the Act of 2013."

9. In view of the submission made by the learned Counsel for the respondents and taking note of the decision of the Hon'ble Supreme Court, this Court is not inclined to entertain this writ petition. However, the respondents are directed to furnish the details with



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regard to the deposit of compensation to the petitioner,
enabling her to receive the same, after proving her
rights.

In fine, this writ petition stands dismissed. No
costs. Consequently, connected miscellaneous petition
stands closed.

Index : Yes / No
Internet : Yes
gk

17.04.2023

To

- 1.The Secretary to Government,
State of Tamil Nadu,
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Fort St.George, Chennai - 9.
- 2.The Revenue Divisional Officer cum
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B. PUGALENDHI, J.,

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