



104

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CWP-26769-2015 (O&M)

Date of Decision : 27.04.2026

SHIV ENTERPRISES

.... Petitioner

VERSUS

STATE OF HARYANA AND ORS

.... Respondents

**CORAM : HON'BLE MRS. JUSTICE ALKA SARIN
HON'BLE MR. JUSTICE RAMESH CHANDER DIMRI**

Present : Ms. Bhumika Khatri, Advocate for
Mr. Ram Darshan Yadav, Advocate for the petitioner.

Mr. Saurabh Mago, DAG Haryana for respondents No.1 and 4.

Mr. Ankur Mittal, Senior Advocate with
Ms. Sharvi Dadhwal, Advocate and
Mr. Siddhanth Arora, Advocate for respondents No.2 and 3.

ALKA SARIN, J. (ORAL)

1. The present writ petition has been filed seeking issuance of a writ in the nature of certiorari for quashing the Notification dated 05.12.2005 issued under Section 4 read with Section 17 of the Land Acquisition Act, 1894 (hereinafter referred to as 'Act of 1894') and for declaring that the acquisition proceedings to have 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 'Act of 2013').
2. Initially, the present writ petition was allowed by this Court vide order dated 04.12.2017 and the proceedings were deemed to have lapsed under Section 24(2) of the Act of 2013. Aggrieved by the same the

respondents herein filed an appeal before the Supreme Court. The said Civil Appeal being CA No.2566 of 2024 (SLP (C) No.5889-2019) titled as 'Haryana State Industrial Infrastructure Development Corporation Ltd. & Ors. Versus Shiv Enterprises' was disposed off vide order dated 16.02.2024. The matter was remanded to the High Court for deciding it afresh on the other issues in the light of the judgment in **Indore Development Authority vs. ManoharLal & Ors. [(2020) 8 SCC 129 = 2020 (4) RCR (Civil) 668]**.

3. Briefly the facts relevant to the present *lis* are that the petitioner is said to be the owner in possession of Khewat No.3/3, Khatoni No.3, Mustil No.43, Killa No.3/2 (3-16), Killa No.4 (8-0) Killa No.5/1 (2-4) total measuring 14 Kanal, share of 25/280 total measuring 1 Kanal 5 Marla situated at Banipur Chowk in the revenue estate of Village Chirhara, Tehsil Bawal, District Rewari. Notification under Section 4 of the Act of 1894 (Annexure P-1) was issued on 05.12.2005. The purpose of the acquisition was for the extension of Industrial Growth Center, Bawal to be planned as an integrated complex for industrial, recreational and other public utilities. Declaration under Section 6 of Act of 1894 (Annexure P-2) was issued on 13.03.2006. The award was announced on 23/25.05.2006. Thereafter, possession was taken vide *rapat roznamcha* dated 07.07.2006. Admittedly, as stated in para No.8 of the writ petition, the amount of compensation for the land in question was taken by the petitioner. However, it is stated that the petitioner is ready to return the same.

4. The Supreme Court remanded the matter for a decision on other issues in the light of the judgment in the case of **Indore Development**

Authority (supra). On a perusal of the writ petition it is apparent that there is no other issue arising in the present case besides the one covered by the judgment in the case of **Indore Development Authority** (supra). The only argument raised by the learned counsel appearing on behalf of the petitioner is that the petitioner is in physical possession of the land and is ready to return the enhanced compensation.

5. Per contra the learned senior counsel appearing for respondent Nos.2 and 3 would contend that the entire compensation, admittedly, stands paid to the petitioner admittedly. It is further contended that the possession was also taken and entry in the rapat roznamcha was duly made.

6. We have heard learned counsel for the parties and have carefully gone through the records.

7. Their Lordships in the case of **Indore Development Authority** (supra) held as under :

“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 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 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.”

8. As per the status report filed by way of affidavit dated 20.01.2025 of Ms. Priyanka Rani, DTP, HSIIDC the possession in the present case was taken vide entry in the *rapat roznamcha* dated 07.07.2006 and mutation No.1699 was sanctioned on 17.01.2008. The compensation also stands paid as stated in para No.13 of the status report dated 20.01.2025. Not only the compensation stood paid, the petitioner had also filed a reference under Section 18 of the Act of 1894 seeking enhancement of compensation. Though the matter was remanded to be decided on the other issues in the light of the judgment in **Indore Development Authority** (supra), however, in the present case there is no other issue which is arising or is raised by the learned counsel appearing on behalf of the petitioner.

9. Further, in view of the law laid down by the Constitution Bench judgment of the Hon'ble Supreme Court in the case of **Indore Development Authority** (supra), since the possession was taken vide *rapat roznamcha* dated 07.07.2006 and the compensation stood paid, the acquisition proceedings cannot be held to have lapsed. Moreover, it has been held in the Constitution Bench case that in case possession has been taken but compensation has not been paid then there is no lapse and similarly if compensation has been paid but possession has not been taken even then there is no lapse. Also, in view of the now settled law, it is immaterial whether compensation was lifted by the landowners or not.

10. In view of the above, we do not find any merit in the present writ petition and the same is accordingly dismissed. Pending applications, if any, also stand disposed off.

(ALKA SARIN)
JUDGE

(RAMESH CHANDER DIMRI)
JUDGE

27.04.2026
Aman Jain

NOTE: Whether speaking/non-speaking: Speaking
Whether reportable: Yes/No