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M/S STAR WIRE (INDIA) LTD.

v.

THE STATE OF HARYANA AND ORS.

SEPTEMBER 25, 1996

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[K. RAMASWAMY AND S.B. MAJMUDAR, JJ.]

Land Acquisition Act, 1894 :

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Ss.4(1) and 16—Purchaser's right to challenge acquisition proceedings—Notification u/s 4(1) published on 1.6.1976—Land alienated thereafter—Award made on 3.7.1981—Purchaser challenged Notification and award by filing a writ petition in: High Court on 21.1.1994 on the ground that he was not aware of acquisition proceedings—High Court dismissing writ petition—Appeal—Held, any incumbrance created by the erstwhile owner of the land after publication of Notification u/s 4(1) does not bind the State if possession of land is already taken over, after the award came to be passed—Petitioner purchased the property covered by the Notification after it was published and therefore purchaser's title is a void title—Purchaser has no right to challenge acquisition proceedings much less the award—Besides laches on the part of petitioner in approaching the court belatedly, disentitle him from challenging the legality of the Notification and award.

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Municipal Corporation of Greater Bombay v. The Industrial Development & Investment Co. Pvt. Ltd. and Ors., JT (1986) 8 SC 16; Gurmukh Singh and Ors., v. The State of Haryana, JT (1995) 8 SC 208; Y.N. Garg v. State of Rajasthan, [1996] 1 SCC 284; Sneha Prabha v. State of U.P., [1996] 7 SCC 325 and U.P. Jal Nigam Lucknow through its Chairman & Anr. v. M/s Kalra Properties (P) Ltd. Lucknow & Ors., [1996] 1 SCC 124, relied on.

State of Madhya Pradesh & Anr. v. Bhailal Bhai & Ors., AIR (1964) SC 1006, followed.

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Rabindranath Bose & Ors. v. The Union of India & Ors., [1970] 1 SCC 84; State of Mysore & Ors. v. Narsimha Ram Naik, AIR (1975) SC 2190; Aflatoon & Anr. v. Lt. Governor of Delhi, [1975] 4 SCC 285; M/s Tilokchand Motichand & Ors. v. H.B. Munshi, Commissioner of Sales Tax, Bombay & Anr., AIR (1970) SC 898; State of Tamil Nadu & Ors. Etc. v. L. Krishnana & Ors. Etc., JT (1995) 8 SC 1; Improvement Trust, Faridkot & Ors. v. Jagjit

Singh & Ors., [1987] Supp. SCC 608; *State of Punjab & Ors. v. Hari Om Cooperative House Building Society Ltd. Amritsar*, [1987] Supp. SCC 687; *Market Committee, Hodal v. Krishan Murari & Ors.*, JT (1995) 8 SC 494 and *State of Haryana v. Dewan Singh*, [1996] 7 SCC 394, referred to. A

CIVIL APPELLATE JURISDICTION : Special Leave Petition (C)
No. 20489 of 1996. B

From the Judgment and Order dated 25.4.96 of the Punjab & Haryana High Court in L.P.A.No.437 of 1996.

P.P. Rao, S. Janani, K.L. Gupta and R.C. Nagia for the Petitioner. C

The following Order of the Court was delivered :

Delay condoned.

This special leave petition arises from the judgment of the Punjab & Haryana High Court made on April 25, 1996 in LPA No.437/96. Notification under Section 4(1) of the Land Acquisition Act, 1894 [for short, the 'Act'] was published on June 1, 1976. Declaration under Section 6 of the Act was published on February 16, 1977. The award was passed on July 3, 1981. Thereafter, the reference also become final. The petitioner has challenged the notification, the declaration and the award as illegal, it contends that the award does not come in the way of the petitioner in filing the writ petition on January 21, 1994. The High Court has dismissed the writ petition on the grounds of laches. D E

Shri P.P. Rao, learned senior counsel for the petitioner, contends that the petitioner had no knowledge of the acquisition proceedings; as soon as it came to know of the acquisition, it had challenged the validity of the acquisition proceedings and, therefore, it furnishes cause of action to the petitioner. He further contends that the writ petition could not be dismissed on the ground of laches but was required to be considered on merits. We find no force in the contention. Any encumbrance created by the erstwhile owner of the land after publication of the notification under Section 4(1) does not bind the State if the possession of the land is already taken over, after the award came to be passed. The land stood vested in the State free from all encumbrances under Section 16. In *Gurmukh Singh & Ors. v. The State of Haryana*, JT (1995) 8 SC 208, this Court has held F G H

- A that a subsequent purchaser is not entitled to challenge the legality of the acquisition proceedings on the ground of lack of publication of the notification. In *Y.N. Garg v. State of Rajasthan*, [1996] 1 SCC 284 and *Sneh Prabha v. State of U.P.*, [1996] 7 SCC 325, this Court had held the alienations made by the erstwhile owner of the land after publication of the notification
- B under Section 4(1), do not bind either the State Government or the beneficiary for whose benefit the land was acquired. The purchaser does not acquire any valid title. Even the colour of title claimed by the purchaser was void. The beneficiary is entitled to have absolute possession free from encumbrances. In *U.P. Jal Nigam, Lucknow through its Chairman & Anr. v. M/s. Kalra Properties (P) Ltd., Lucknow & Ors.*, [1996] 1 SCC 124, this
- C Court had further held that the purchaser of the property, after the notification under Section 4(1) was published, is devoid of right to challenge the validity of the notification or irregularity in taking possession of the land before publication of the declaration under Section 6. As regards laches in approaching the Court, this Court has been consistently taking
- D the view starting from *State of Madhya Pradesh & Anr. v. Bhailal Bhai & Ors.*, AIR (1964) SC 1006 wherein a Constitution Bench had held that it is not either desirable or expedient to lay down a rule of universal application but the unreasonable delay denies to the petitioner, the discretionary extraordinary remedy of mandamus, certiorari or any other relief. The
- E same was view reiterated in catena of decisions, viz., *Rabindranath Bose & Ors. v. The Union of India & Ors.*, [1970] 1 SCC 84; *State of Mysore & Ors. v. Narsimha Ram Naik*, AIR (1975) SC 2190; *Aflatoon & Anr. v. Lt. Governor of Delhi* [1975] 4 SCC 285; *M/s. Tilokchand Motichand & Ors. v. H.B. Munshi, Commissioner of Sales Tax, Bombay & Anr.*, AIR (1970) SC 898; *State of Tamil Nadu & Ors. Etc. v. L. Krishnan & Ors. Etc.*, JT (1995)
- F 8 SC 1; *Improvement Trust, Faridkot & Ors. v. Jagjit Singh & Ors.*, [1987] Supp. SCC 608; *State of Punjab & Ors. v. Hari Om Co-operative House Building Society Ltd., Amritsar*, [1987] Supp. SCC 687; *Market Committee, Hodal v. Krishan Murari & Ors.*, JT (1995) 8 SC 494 and *State of Haryana v. Dewan Singh*, [1996] 7 SCC 394 wherein this Court had held that the
- G High Court was not justified in interfering with the acquisition proceedings. This Court in the latest judgment in *Municipal Corporation of Great Bombay v. The Industrial Development & Investment Co. Pvt. Ltd. & Ors.*, JT (1996) 8 SC 16, reviewed the entire case law and held that the person who approaches the Court belatedly will be told that laches close the gates of
- H the Court for him to question the legality of the notification under Section

4(1), declaration under Section 6 and the award of the Collector under Section 11. A

In this case, admittedly, the petitioner has purchased the property covered by the notification under Section 4(1) after it was published and, therefore, it's title is a void title. It has no right to challenge the acquisition proceedings much less the award. The Division Bench of the High Court has exhaustively reviewed the case law to negate the claim of the petitioner. We do not find any illegality in the judgment of the High Court warranting interference. B

The special leave petition is accordingly dismissed. C

R.P.

Appeal dismissed.