

A

C. PADMA AND ORS.

v.

THE DY. SECRETARY TO THE GOVT. OF  
TAMIL NADU AND ORS.

B

NOVEMBER 22, 1996

[K. RAMASWAMY AND G.B. PATTANAİK, JJ.]

*Land Acquisition Act, 1894 :*

C

*S. 4(1), 6—Acquisition of land for setting up industry—Proceedings became final—Compensation paid to land owner—Later the acquired land given by Government to another subsidiary company on leasehold basis—Acquisition challenged on the ground that public purpose for which acquisition was made ceased to exist—Held, in terms of the agreement, land came to be surrendered to the Government for resumption—Then the lands were allotted to another subsidiary amalgamated company of the original company—Therefore public purpose for which acquisition was made was substituted for another public purpose.*

D

E

CIVIL APPELLATE JURISDICTION : Civil Appeal No. 15526 of 1996.

From the Judgment and Order dated 29.6.93. of the Madras High Court in W.A. No. 712 of 1993.

G. Ramaswamy, V. Balaji and A.T.M. Sampath for the Appellants.

F

Ramasubramaniam, E.R. Kumar, P.H. Parekh and V. Krishnamurthy for the Respondents.

The following Order of the Court was delivered :

G

Leave granted.

We have heard the counsel on both sides.

H

This appeal by special leave arises from the judgment of the Division Bench of the Madras High Court, made on June 29, 1993 in W.A. No. 712/93.

The admitted position is that pursuant to the notification published under Section 4(1) of the Land Acquisition Act, 1894 (for short, the "Act") in G.O.R. No. 1392 Industries dated October 17, 1962, total extent of 6 acres 41 cents of land in Madhavaram village Saidapet Taluk, Chengalpattu District in Tamil Nadu was acquired under Chapter VII of the Act for the manufacture of Synthetic Rasina by Tvl. Reichold Chemical India Ltd., Madras. The acquisition proceedings had become final and possession of the land was taken on April 30, 1964. Pursuant to the agreement executed by the company, it was handed over to Tvl. Simpson and General Finance Co. which is a subsidiary of Reichold Chemicals India Ltd. It would appear that at a request made by the said company, 66 cents of land out of one acre 37 cents in respect of which the appellants originally had ownership, was transferred in G.O.M.S. No. 816 Industries dated March 24, 1971 in favour of another subsidiary company. Shri Rama Vilas Service Ltd., the 5th respondent which is also another subsidiary of the Company had requested for two acres 75 cents of land; the same came to be assigned on lease hold basis by the Government after resumption in terms of the agreement in G.O.M.S. No. 439 Industries dated May 10, 1985. In G.O.M.S. No. 546 Industries dated March 30, 1986, the same came to be approved of. Then the appellants challenged the original G.O.M.S. No. 1392 Industries dated October 17, 1962 contending that since the original purpose for which the land was acquired had ceased to be in operation, the appellants are entitled to restitution of the possession taken from them. The learned single Judge and the Division Bench have held that the acquired land having already vested in the State, after receipt of the compensation by the predecessor-in- title of the appellants, they have no right to challenge the notification. Thus the writ petition and the writ appeal came to be dismissed.

Shri G. Ramaswamy, learned senior counsel appearing for the appellant, contends that when by operation of Section 44-B read with Section 40 of the Act, the public purpose ceased to be existing, the acquisition became bad and therefore, the G.O. was bad in law. We find no force in the contention. It is seen that after the notification in G.O.R. 1392 dated October 17, 1962 was published, the acquisition proceeding had become final, the compensation was paid to the appellant's father and thereafter the lands stood vested in the State. In terms of the agreement as contemplated in Chapter VII of the Act, the company had delivered possession subject to the terms and conditions thereunder. It is seen that one of the

- A conditions was that on cessation of the public purpose, the lands acquired would be surrendered to the Government. In furtherance thereof, the lands came to be surrendered to the Government for resumption. The lands then were allotted to SRVS Ltd., 5th respondent which is also a subsidiary amalgamated company of the original company. Therefore, the public purpose for which acquisition was made was substituted for another public purpose. Moreover, the question stood finally settled 32 years ago and hence the writ petition cannot be entertained after three decades on the ground that either original purpose was not public purpose or the land cannot be used for any other purpose.
- B
- C Under these circumstances, we think that the High Court was right in refusing to entertain the writ petition.

The appeal is accordingly dismissed. No costs.

R.P.

Appeal dismissed.