**REPORTABLE**

**IN THE SUPREME COURT OF INDIA**
**CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL NO. 739 OF 2023**
**(@ SLP (C) NO. 2491 OF 2023)**
**(@ DIARY NO. 9638 OF 2021)**

**Government of NCT of Delhi & Anr. …Appellant(s)**

**Versus**

**Shakeel Ahmed & Ors. …Respondent(s)**

**J U D G M E N T**

**M.R. SHAH, J.**

1. Feeling aggrieved and dissatisfied with the impugned judgment and order passed by the High Court of Delhi at New Delhi in Writ Petition (C) No. 3539 of 2015 by which the High Court has allowed the said writ petition preferred by the respondent No. 1 herein – original writ petitioner and has declared that the land acquisition proceedings initiated under the Land Acquisition Act, 1894 (hereinafter referred to as "Act, 1894") the regard to the land in question is deemed to have lapsed under

Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter referred to as “Act, 2013”), the Government of NCT of Delhi and Anr. have preferred the present appeal.

2. From the impugned judgment and order passed by the High Court and even from the counter affidavit filed before the High Court, it appears that it was the specific case on behalf of the appellant and original respondents that the possession of the land in question was taken on 04.03.1983 and even before the High Court, there was an ownership dispute insofar as the subject land is concerned between the original writ petitioner and the original respondent No. 5. However, despite the above and without going into the controversy of the physical possession, relying upon the decision of this Court in the case of **Pune Municipal Corporation and Anr. Vs. Harakchand Misirimal Solanki and Ors., (2014) 3 SCC 183**, the High Court has allowed the said writ petition and has declared that the land acquisition proceedings initiated under the Act, 1894 of the subject land is deemed to have lapsed under Section 24(2) of the Act, 2013.

3. At the outset, it is required to be noted that as such the High Court ought to have first decided the ownership dispute and thereafter ought to

have considered the locus of the original writ petitioner. Be that it may, the decision of this Court in the case of **Pune Municipal Corporation and Anr. (supra)**, which has been relied upon by the High Court while passing the impugned judgment and order has been specifically overruled by the Constitution Bench decision of this Court in the case of **Indore Development Authority Vs. Manoharlal and Ors., (2020) 8 SCC 129**. In paragraphs 365 and 366, the Constitution Bench of this Court has observed and held as under:-

> "**365.** Resultantly, the decision rendered in Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] is hereby overruled and all other decisions in which Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] has been followed, are also overruled. The decision in Sree Balaji Nagar Residential Assn. [Sree Balaji Nagar Residential Assn. v. State of T.N., (2015) 3 SCC 353] cannot be said to be laying down good law, is overruled and other decisions following the same are also overruled. In Indore Development Authority v. Shailendra [(2018) 3 SCC 412], the aspect with respect to the proviso to Section 24(2) and whether "or" has to be read as "nor" or as "and" was not placed for consideration. Therefore, that decision too cannot prevail, in the light of the discussion in the present judgment.
>
> **366.** In view of the aforesaid discussion, we answer the questions as under:
>
> 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.

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.

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.

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.

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.

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).

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).

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.

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."

4. In view of the above and applying the law laid down by this Court in the case of **Indore Development Authority (supra)** and when it was the specific case on behalf of the appellant and original respondents that the possession of the land in question was taken on 04.03.1983, the impugned judgment and order passed by the High Court declaring that the land acquisition proceedings initiated under the Act, 1894 with respect to land in question is deemed to have lapsed under Section 24(2) of the Act, 2013 is unsustainable and deserves to be quashed and set aside and is accordingly quashed and set aside.

Present appeal is accordingly allowed. No costs.

Pending applications, if any, also stand disposed of.

…….J.
**[M.R. SHAH]**

NEW DELHI; ..... J.
FEBRUARY 09, 2023. **[C.T. RAVIKUMAR]**

**REPORTABLE**

**IN THE SUPREME COURT OF INDIA**
**CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL NO. 738 OF 2023**
**(@ SLP (C) NO. 2490 OF 2023)**
**(@ DIARY NO. 10604 OF 2021)**

**Government of NCT of Delhi & Anr. …Appellant(s)**

**Versus**

**Sh. Manish & Anr. …Respondent(s)**

**J U D G M E N T**

**M.R. SHAH, J.**

1. Feeling aggrieved and dissatisfied with the impugned judgment and order passed by the High Court of Delhi at New Delhi in Writ Petition (C) No. 2846 of 2015 by which the High Court has allowed the said writ petition preferred by the respondent No. 1 herein – original writ petitioner and has declared that the land acquisition proceedings initiated under the Land Acquisition Act, 1894 (hereinafter referred to as "Act, 1894") with regard to the land in question is deemed to have lapsed under Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition,

Rehabilitation and Resettlement Act, 2013 (hereinafter referred to as “Act, 2013”), the Government of NCT of Delhi and Anr. have preferred the present appeal.

2. From the impugned judgment and order passed by the High Court and even from the counter affidavit filed before the High Court, it appears that it was the specific case on behalf of the appellant and original respondents that the possession of the land in question was taken on 23.02.2007. However, despite the above, relying upon the decision of this Court in the case of **Pune Municipal Corporation and Anr. Vs. Harakchand Misirimal Solanki and Ors., (2014) 3 SCC 183**, the High Court has allowed the said writ petition and has declared that the land acquisition proceedings initiated under the Act, 1894 of the subject land is deemed to have lapsed under Section 24(2) of the Act, 2013.

**3.** However, it is required to be noted that the decision of this Court in the case of **Pune Municipal Corporation and Anr. (supra)**, which has been relied upon by the High Court while passing the impugned judgment and order has been specifically overruled by the Constitution Bench decision of this Court in the case of **Indore Development Authority Vs. Manoharlal and**

**Ors., (2020) 8 SCC 129**. In paragraphs 365 and 366, the Constitution Bench of this Court has observed and held as under:-

> "**365.** Resultantly, the decision rendered in Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] is hereby overruled and all other decisions in which Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] has been followed, are also overruled. The decision in Sree Balaji Nagar Residential Assn. [Sree Balaji Nagar Residential Assn. v. State of T.N., (2015) 3 SCC 353] cannot be said to be laying down good law, is overruled and other decisions following the same are also overruled. In Indore Development Authority v. Shailendra [(2018) 3 SCC 412], the aspect with respect to the proviso to Section 24(2) and whether "or" has to be read as "nor" or as "and" was not placed for consideration. Therefore, that decision too cannot prevail, in the light of the discussion in the present judgment.
>
> **366.** In view of the aforesaid discussion, we answer the questions as under:
>
> 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.
>
> 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.
>
> 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.

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.

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.

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).

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).

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.

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."

4. In view of the above and applying the law laid down by this Court in the case of **Indore Development Authority (supra)** and

when it was the specific case on behalf of the appellant and original respondents that the possession of the land in question was taken on 23.02.2007, the impugned judgment and order passed by the High Court declaring that the land acquisition proceedings initiated under the Act, 1894 with respect to land in question is deemed to have lapsed under Section 24(2) of the Act, 2013 is unsustainable and deserves to be quashed and set aside and is accordingly quashed and set aside.

Present appeal is accordingly allowed. No costs.

Pending applications, if any, also stand disposed of.

……J.
**[M.R. SHAH]**

NEW DELHI; .....J.
**FEBRUARY 09, 2023.** **[C.T. RAVIKUMAR]**

**REPORTABLE**

**IN THE SUPREME COURT OF INDIA**
**CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL NO. 737 OF 2023**
**(@ SLP (C) NO. 2489 OF 2023)**
**(@ DIARY NO. 11120 OF 2021)**

**Government of NCT of Delhi …Appellant(s)**

**Versus**

**Subhash Gupta & Ors. …Respondent(s)**

**J U D G M E N T**

**M.R. SHAH, J.**

1. Feeling aggrieved and dissatisfied with the impugned judgment and order passed by the High Court of Delhi at New Delhi in Writ Petition (C) No. 2458 of 2015 by which the High Court has allowed the said writ petition preferred by the respondent No. 1 herein – original writ petitioner and has declared that the land acquisition proceedings initiated under the Land Acquisition Act, 1894 (hereinafter referred to as "Act, 1894") with regard to the land in question is deemed to have lapsed under Section 24(2) of the

Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter referred to as “Act, 2013”), the Govt. of NCT of Delhi has preferred the present appeal.

2. From the impugned judgment and order passed by the High Court and even so stated in the counter affidavit filed before the High Court, it appears that the possession of the land in question could not be taken because of the operation of the stay order in Writ Petition (C) No. 14129 of 2005 and the same came to be continued by this Court till 11.02.2015. Therefore, there was a stay operating against the taking over of the possession even on the day on which the Act, 2013 came into force. However, despite the above and relying upon its earlier decision in the case of **Jagjit Singh and Ors. Vs. Union of India and Ors., Writ Petition (C) No. 2806 of 2004** and relying upon the decision of this Court in the case of **Pune Municipal Corporation and Anr. Vs. Harakchand Misirimal Solanki and Ors., (2014) 3 SCC 183**, the High Court has allowed the said writ petition and has declared that the land acquisition proceedings initiated under the Act, 1894 with respect to the land in question is deemed to have lapsed under Section

24(2) of the Act, 2013 as the physical possession of the subject land was not taken and the compensation has not been paid.

3. The decision of this Court in the case of **Pune Municipal Corporation and Anr. (supra)**, which has been relied upon by the High Court while passing the impugned judgment and order and the decision of the High Court in the case of **Jagjeet Singh and Ors. (supra)**, which has also been relied upon by the High Court are just contrary to the Constitution Bench decision of this Court in the case of **Indore Development Authority Vs. Manoharlal and Ors., (2020) 8 SCC 129**. In paragraphs 365 and 366, the Constitution Bench of this Court has observed and held as under:-

> "**365.** Resultantly, the decision rendered in Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] is hereby overruled and all other decisions in which Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] has been followed, are also overruled. The decision in Sree Balaji Nagar Residential Assn. [Sree Balaji Nagar Residential Assn. v. State of T.N., (2015) 3 SCC 353] cannot be said to be laying down good law, is overruled and other decisions following the same are also overruled. In Indore Development Authority v. Shailendra [(2018) 3 SCC 412], the aspect with respect to the proviso to Section 24(2) and whether "or" has to be read as "nor" or as "and" was not placed for consideration. Therefore, that decision too cannot prevail, in the light of the discussion in the present judgment.

**366.** In view of the aforesaid discussion, we answer the questions as under:

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.

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.

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.

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.

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.

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).

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).

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.

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."

4. As per the law laid down by this Court in the case of **Indore Development Authority (supra)**, the period of stay of taking over the possession has to be excluded for the purpose of Section 24(2) of Act, 2013. Even otherwise, once having obtained the stay of possession, thereafter, it will not be open for the landowners to contend that as the possession (which is not taken due to stay) has not been taken therefore, there would be lapse under Section 24(2) of the Act, 2013.

5. In view of the above and applying the law laid down by this Court in the case of **Indore Development Authority (supra)**, the

impugned judgment and order passed by the High Court declaring that the land acquisition proceedings initiated under the Act, 1894 with respect to land in question is deemed to have lapsed under Section 24(2) of the Act, 2013 is unsustainable and the same deserves to be quashed and set aside and is accordingly quashed and set aside.

Present appeal is accordingly allowed. No costs.

Pending applications, if any, also stand disposed of.

……J.
**[M.R. SHAH]**

NEW DELHI; ..... J.
**FEBRUARY 09, 2023.** **[C.T. RAVIKUMAR]**

**REPORTABLE**

**IN THE SUPREME COURT OF INDIA**
**CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL NO. 740 OF 2023**
**(@ SLP (C) NO. 2493 OF 2023)**
**(@ DIARY NO. 10609 OF 2021)**

**Govt. of NCT of Delhi & Anr. …Appellant(s)**

**Versus**

**Sh. Narender & Anr. …Respondent(s)**

**J U D G M E N T**

**M.R. SHAH, J.**

1. Feeling aggrieved and dissatisfied with the impugned judgment and order passed by the High Court of Delhi at New Delhi in Writ Petition (C) No. 10670 of 2015 by which the High Court has allowed the said writ petition preferred by the respondent No. 1 herein – original writ petitioner and has declared that the land acquisition proceedings initiated under the Land Acquisition Act, 1894 (hereinafter referred to as "Act, 1894") with regard to the land in question is deemed to have lapsed under

Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter referred to as “Act, 2013”), the Govt. of NCT of Delhi and Anr. have preferred the present appeal.

2. From the impugned judgment and order passed by the High Court and even from the counter affidavit filed before the High Court, it appears that it was the specific case on behalf of the appellant and original respondents that the possession of the land in question was taken on 14.09.2007. However, despite the above, relying upon the decision of this Court in the case of **Pune Municipal Corporation and Anr. Vs. Harakchand Misirimal Solanki and Ors., (2014) 3 SCC 183**, the High Court has allowed the said writ petition and has declared that the land acquisition proceedings initiated under the Act, 1894 of the subject land is deemed to have lapsed under Section 24(2) of the Act, 2013.

3. However, it is required to be noted that the decision of this Court in the case of **Pune Municipal Corporation and Anr. (supra)**, which has been relied upon by the High Court while passing the impugned judgment and order has been specifically overruled by the Constitution Bench decision of this Court in the

case of **Indore Development Authority Vs. Manoharlal and Ors., (2020) 8 SCC 129**. In paragraphs 365 and 366, the Constitution Bench of this Court has observed and held as under:-

> "**365.** Resultantly, the decision rendered in Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] is hereby overruled and all other decisions in which Pune Municipal Corpn. [Pune Municipal Corpn. v. Harakchand Misirimal Solanki, (2014) 3 SCC 183] has been followed, are also overruled. The decision in Sree Balaji Nagar Residential Assn. [Sree Balaji Nagar Residential Assn. v. State of T.N., (2015) 3 SCC 353] cannot be said to be laying down good law, is overruled and other decisions following the same are also overruled. In Indore Development Authority v. Shailendra [(2018) 3 SCC 412], the aspect with respect to the proviso to Section 24(2) and whether "or" has to be read as "nor" or as "and" was not placed for consideration. Therefore, that decision too cannot prevail, in the light of the discussion in the present judgment.
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> **366.** In view of the aforesaid discussion, we answer the questions as under:
>
> 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.
>
> 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.

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.

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.

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.

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).

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).

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.

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."

4. In view of the above and applying the law laid down by this Court in the case of **Indore Development Authority (supra)** and when it was the specific case on behalf of the appellant and original respondents that the possession of the land in question was taken on 14.09.2007, the impugned judgment and order passed by the High Court declaring that the land acquisition proceedings initiated under the Act, 1894 with respect to land in question is deemed to have lapsed under Section 24(2) of the Act, 2013 is unsustainable and deserves to be quashed and set aside and is accordingly quashed and set aside.

Present appeal is accordingly allowed. No costs.

Pending applications, if any, also stand disposed of.

…….J.
**[M.R. SHAH]**

NEW DELHI; ..... J.
**FEBRUARY 09, 2023.** **[C.T. RAVIKUMAR]**