

Justice Prevails: Top Court Recalls Fraudulently Obtained Compensation Order



In a significant ruling emphasizing the paramount importance of integrity within the judicial process, India's Supreme Court on Wednesday, July 23, 2025, recalled a compensation order related to a land acquisition in Uttar Pradesh's Gautam Budh Nagar. The decision, handed down by a bench of Justices Surya Kant, Ujal Bhuyan, and Dipankar Datta, underscores the legal maxim that "fraud and justice cannot dwell together," asserting that orders obtained through deception are null and void.

The case originated from a land dispute over property purchased by three individuals, Reddy Veerana, Vishnu Vardhan, and T. Sudhakar, in 1997, which was subsequently acquired by the Noida authority in 2005 to become part of Noida's commercial hub in Sector 18. Reddy Veerana was alleged to have fraudulently claimed sole ownership of the land, systematically sidelining his co-owners, Vishnu Vardhan and T. Sudhakar, across various legal proceedings, including civil courts, the High Court, and even the Supreme Court in 2022. This led to a Supreme Court order in 2022 granting enhanced compensation solely to Veerana, effectively allowing him to pocket the entire amount.

Vishnu Vardhan subsequently challenged Veerana's claim through multiple proceedings, ultimately seeking a recall of the 2022 Supreme Court order. Justice Datta, writing for the bench, highlighted that a string of Supreme Court decisions consistently affirm that "fraud and justice cannot dwell together." The court stressed that the legislature does not intend to protect fraudulent acts, and therefore, the question of the limitation period for exercising judicial power

does not arise when fraud is proven. Even the finality of litigation, the court asserted, cannot be stretched to absurd limits when a fraud is unearthed.

As a direct consequence of this ruling, the Supreme Court also set aside the Allahabad High Court's October 28, 2021, verdict, which had recognized Veerana as the sole owner and drastically increased the compensation from Rs. 152.04 per square meter to Rs. 1,10,000 per square meter. The apex court explicitly stated that the fraud had vitiated the entire proceedings, rendering all associated orders, including its own 2022 decision, nullities that must be erased from the records.

The case has been remanded back to the Allahabad High Court with a directive to officially implead Vishnu Vardhan and T. Sudhakar as additional respondents, ensuring their rightful inclusion in the ongoing legal process. This decision reinforces the judiciary's unwavering commitment to upholding the rule of law and ensuring that no individual benefits from deceitful practices, particularly when public funds are at stake.