

Collector, Land Acquisition

Vs

Ganaram Dhoba

Civil Appeal No. 11967 of 1995

(K. Ramaswamy, K. S. Paripoornan JJ)

04.12.1995

ORDER

1. Leave granted.

2. This appeal by special leave arises from the judgment dated 16-8-1991 of the Division Bench of Orissa High Court made in FA No. 135 of 1991. The High Court accepted the oral evidence that the yield from the land was 22 bags per acre. It also accepted the deduction of 50% of the value of the crop for cultivation expenses. It also accepted the prevailing price as on the relevant date as Rs. 130 per bag; 27.20 acres for single crop wet lands and 4 acres for double crop wet lands. Therefore, it accepted the findings of the Reference Court and modified the same to the extent of single crop wet lands. Thus this appeal by special leave.

3. Notification under Section 4(1) of the Land Acquisition Act, 1894 (for short "the Act") was published on 19-8-1983. The award under Section 11 was made on 25-4-1987. The Reference Court awarded compensation on 8-2-1991. On appeal, by judgment and decree dated 16-8-1991, the High Court confirmed the award with the above modification.

4. It is contended for the State that statistics for year 1957 show that the yield in that area was about 10 bags and that, therefore, the High Court was not right in confirming the compensation at 22 bags per acre. It is seen that from the year 1957 till 1987 considerable improvement must obviously have been made. Under those circumstances, no attempt has been made by the State to produce the relevant statistics of the produce as on the date of the notification, viz., 19-8-1983. Therefore, we cannot accept the contention of the State that the produce from the lands would be as per the statistics prevailing in 1957. Even accepting the valuation given by the Reference Court as well as the High court, it is settled law that multiplier of 10 would be the proper multiplier to determine the compensation when the land is assessed on the basis of the yield of agricultural lands. The Reference Court applied multiplier of 16 and the High Court upheld it. This obviously is illegal and application of wrong principle of law.

5. The annual yield at Rs. 1430 should be multiplied by 10 and the market value should be determined at Rs. 14,300 per acre. The compensation should accordingly be determined. The claimants would also be entitled to enhanced solatium and interest and also 12% additional amount per annum on enhanced compensation under the Act as amended by Act 68 of 1984.

6. The appeal is allowed accordingly. No costs.