

SUPREME COURT OF INDIA

P. Rajan

Vs.

The Kerala State Electricity Board

(K Ramaswamy and S Kurdukar JJ.)

25.10.1996

ORDER

Leave granted.

Notification under Section 4(1) of the Land Acquisition Act was published on October 13, 1979 acquiring large extent of land admeasuring 7 acres, 8 cents together with a building situated in 1600 sq. mtrs, of the land. The Land Acquisition Officer awarded compensation @ Rs. 1432.50 per cent, Rs. 2,35,233/- for the building and Rs. 24,033/- for the trees as well as wells and Rs. 4,19,006/- The reference Court enhanced the compensation for the land to Rs. 3,000/- per cent and awarded an additional amount of Rs. 1,83,783.60 per cent and awarded an additional amount of Rs. 1,83,783.60 towards building and Rs. 17,958/- as value of improvement. The respondents filed an appeal before the High Court. The High Court allowed the appeal of the respondent, reducing the land value to Rs. 2,000/- per cent. This appeal by special lave has been filed by the appellants-claimants challenging the reduction of the compensation by the High Court.

The question for consideration is: whether the view taken by the High Court is correct in law? It is seen that the courts below have relied upon Exs. A-1, A-2, A-7 and A-9. The respondents have relied upon Exs. R-1 and R-6. Ex.A-1 is the sale deed dated July 31, 1978 pertaining to sale of an extent of 2-1/2 cents of land whose value was worked out @ Rs. 3,000/- per cent spoken to by AW-4. It is an admitted position that the lands covered by the said sale transaction are situated within the municipal limits in a developed area. The distance between the acquired land and the land covered by the Sale deed is 2-1/2 kms. Under these circumstances, the said sale deed does not furnish ay reasonable basis to determine the market value and compensation. Equally, Ex.A-2 is dated November 15, 1978 spoken to by AW-2. It is a small extent of land situated within the municipal limits which worked out at Rs. 4,000/- per cent. Ex.A-7 is dated August 1, 1979 and the extent of the land has not been mentioned; but is an admitted position that it is a small piece of land purchased by AW-3 which worked out to Rs. 26,000/- per cent. Ex.A-9 is a post- notification sale deed dated October 9,1980 pertaining to sale of an extent of three cents of land purchased by AW-5 which worked to Rs. 5,000/- per cent. This also being post- notification and being in respect of a small extent of land, does not furnish any reasonable basis of land, does not furnish any reasonable basis for determination of the market value and compensation.

It is well settled legal position that when large extent of land is acquired, determination of compensation on the fort of a cent, square yard of square foot is wrong principle. This Court repeatedly emphasised that the principle is fixation on acreage basis. The other principle is developed area and acquired land was converted as building plots as colony or land itself is well developed area like heart of the commercial centres. It is seen that Ex.R-1 is dated October 27, 1979 involving 15 cents of land sold by RS-1 which worked out to Rs. 2,800/- per cent. In view of the large extent of land in view of the fact that the sale deeds are in respect of small extents of land, they do not offer any reasonable basis to determine the market vale and compensation higher than that was granted by the High Court which had become final. Under these circumstances, we do not find any compelling evidence or the application of any wrong principle of law to conclude that the High Court has ignored any material evidence in determining the compensation. No error of law has been committed by the High Court for warranting interference with the valuation of the market value of the land.

As regards the building, it is not is dispute that the Executive Engineer of the Department of Government assessed the value of the building. Though the Commissioner Engineer appointed by the reference Court had valued the building and the material at Rs. 1,85,026/- consisting of the valuation and appreciation of 15 per cent etc, the High Court found that three is reliable evidence placed on record in awarding 15% more as was assessed by the Engineer. This also being on appreciation of evidence, we do not find any unimpeachable material to find that the view taken by the High Court is warranted for interference on the facts of this case. Under these circumstances, we do not find any compelling reason warranting interference. The appeal is accordingly dismissed. No costs.