

SUPREME COURT OF INDIA

Madan Lal

Vs.

State of Punjab

(Doraiswamy Rajuu Raju and Shivaraj V. Patil JJ.)

01.10.2002

ORDER

1. These appeals arise out of the judgment passed by a division bench of the Punjab and Haryana High Court dated 9.8.1999 in LPA No. 84/91 and the subsequent appeals before the High Court in which the judgment in LPA 84/91 came to be followed and applied. About 115 acres, 5 kanals and 14 marlas of land in the village in question came to be acquired for the establishment of a new mandi township at Kotkapura. The notification under section 4 of the Land Acquisition Act, 1894 (hereinafter called as the 'Act') was issued on 5.5.1982, followed by a declaration under section 6 of the Act issued on 19.1.1984. The land acquisition collector passed an award on 22.2.1984 determining the compensation for the lands acquired by adopting the belt system, by classifying the lands into three blocks and for block 'A', the value was fixed @ Rs. 80,000/- per acre, for block 'B' @ Rs. 52,000/- per acre and for block 'C' @ Rs. 35,000/- per acre. Not satisfied with the amount awarded, the claimants sought for a reference under Section 18 of the Act. The learned additional district judge, Faridkot, functioning as the reference court, disposed of all the claims referred to it by a common judgment dated 20.11.1987 determining the market value of the land @ Rs. 1,01,000/- per acre and awarded compensation on that basis. In addition, the claimants were also allowed compensation for the super structures, slanting trees etc., found on the land acquired besides providing for the other statutory payments envisaged under the Act. The claimants further pursued the matter for enhanced compensation by filing about 55 appeals in all and the state which also felt aggrieved against the rate of enhancement, seems to have filed about 69 appeals before the High Court.

2. The learned single judge as well as the division bench of the High Court have considered the materials on record, the respective contentions of the parties and the nature of the land sought to be acquired and proceeded to adopt the method of fixing the value on square yard basis as against the acreage basis adopted by the reference court. Highlighting the possible views in the matter, the learned single judge observed that if the rate of Rs. 50/-per square yard is to be taken into account allowing 1/3rd deduction towards development of the land, the rate would come to Rs. 37/- (round figure). On the basis of the rate of Rs. 1,77,776/- per acre, the price of which per square yard works out to about Rs. 44.44 paise, if a similar deduction of 1/3rd is to be effected for development of the land, the rate per square yard was considered to come to Rs. 30/-(rounded figure). Taking into account all the relevant aspects, the learned single judge has chosen to adopt an uniform rate of Rs.37/- per square yards for the lands in question. Still not satisfied, the appellants herein pursued the matter, on further appeal, before the division bench of the High Court invoking the powers of letters patent. The learned judges of the division bench concurred with the conclusion arrived at by the learned single judge and rejected the appeals on the view that no interference was called for with

the findings arrived at by the learned single judge, in the matter. Hence, these appeals.

3. Heard learned counsel appearing on either side. The learned counsel appearing for the appellants invited our attention to the relevant portions of the judgments of the reference court, the learned single judge and of the division bench and contended that all the courts have failed to see that some of the comparable sale deeds produced though would help the appellants to secure the rate of Rs. 116.67/-per square yard, neither the learned single judge nor the division bench have chosen to advert and consider this aspect of the matter but rejected the claim merely on the ground that they were not raised at the initial stage. Though yet another ground of challenge was also raised based on exhibit A-105 taken together with the evidence of AW-24 the same not pursued for the obvious reason that it was of the sale of a well developed plot and therefore could not be said to be a comparable sale and that too it had taken place after the date of acquisition in this case.

Per contra, the learned counsel for the respondent-state while adopting the reasoning of the judgment under challenge contended that the grievance about the non-consideration is not justified and that, as a matter of fact, the courts below adverted to all the materials including the one now sought to be relied upon and only on such an appreciation of the materials placed on record, the learned judges were inclined to rely upon some only of the documents which were relevant and not the other series of documents by assigning valid and justifying reasons, therefore. It is further contended by the learned counsel for the respondent state that the method of valuation adopted and the compensation awarded is just and reasonable and, therefore, no interference is called for in these appeals, at the instance of the claimants.

4. We have carefully considered the submissions of the learned counsel appearing on either side. In our view, the learned single judge has elaborately considered and extensively adverted to, all the relevant materials placed on record in support of the claim made for enhancement. As may be seen from the records, the appeals for enhancement were made on the basis of about 44 comparable sale deeds brought on record by all the various claimants. It is not as though while pursuing their claim, they were relying upon every one of them at that or every stage. As was open to the appellants they have chosen to stake their respective claims for a particular rate of price, relying upon some or the other of the sale deeds and those claims are found to have been considered meticulously by both the learned single judge, as also by the reference court. Even in respect of the sale deeds which were not individually referred to by their exhibit numbers, we find that the reasons assigned to reject some of the sale deeds adverted to by specific reference, or claims based on such specified sale deeds, have been applied in respect of the other instance sale deeds marked also, keeping in view the nature and extent of the property dealt with in those transactions viz., either because they related to small extent of land or that they related to well developed plots on which already construction was made or for that matter they cannot for well settled legal principles provide sufficient guide or standard for fixing uniformly the market value of the entire extent of land now sought to be acquired.

5. The inherent fallacy in the challenge on behalf of the appellants to the approach and findings recorded by the High Court, lies in the assumption that the lands acquired are developed lands, ignoring the essential difference between the development of the area or locality in general and the nature of development of the lands under acquisition. Having regard to the vast extent of land under acquisition and the development required to be made of them before treating them for purposes of valuation as potential building sites, the High Court has on an overall consideration of the materials, adopted the relevant rate with suitable rate of deduction for development purposes and have correctly arrived at the market value, in a reasonable and just manner to ensure payment of an

adequate amount of compensation. We see no infirmity whatsoever which could be said to vitiate the same so as to call for our interference.

6. In our view, this Court exercising powers under Article 136 of the Constitution would not normally interfere with the exercise of discretion and the manner of appreciation of evidence in the matter of determining the market value, unless the approach of the courts below and reasons assigned are found to be patently illegal, against settled principles or perverse or that the valuation was so unreasonably low as to warrant an interference in our hands or that it was not based on any legal evidence. On the materials on record and having regard to the well merited, cogent and convincing reasons given by the learned single judge on the basis of relevant evidence which also found favour of acceptance at the hands of the division bench, we do not find any patent error of law or unreasonableness in the determination made by the High Court in these cases, justifying our interference in the matter.

7. For all the above reasons, we see no merit in these appeals. The appeals fail and shall stand dismissed, with no costs.