

Land Acquisition Officer and Revenue Divisional Officer

v.

Ramanjulu and Others

SHIVARAJ V. PATIL and B.N. SRIKRISHNA, JJ.,

(Supreme Court Of India)

C. A. No. 3523, 3524, 3525, 3526, 3527 of 2001 With No. 3528, 3529, 3530, 3531, 3532 of 2001 | 12-10-2004

1. The claimants as well as the Land Acquisition Officer are before us in these appeals to the extent they are aggrieved by the impugned common judgment. The lands in question, along with some other lands, were acquired for the purpose of expansion of industrial estate, pursuant to the notification issued under S.4(1) of the Land Acquisition Act, 1894 (for short "the Act") on 30-12-1976. It appears that there were certain mistakes in regard to the area of the lands. An errata was therefore issued on 23-6-1981 subsequent to the issuance of declaration under S.6 of the Act and after taking possession of the lands. The Land Acquisition Officer determined the market value of the lands acquired at the rate of Rs 25,929 per acre. Not satisfied with the amount of compensation so awarded, the claimants sought reference under S.18 of the Act. The Reference Court, on the basis of the evidence that was placed before it, determined the market value of the lands acquired at the rate of rupees thirty one thousand per acre. The claimants, still not satisfied with the amount of compensation so fixed by the Reference Court, filed appeals before the High Court seeking further enhancement. The High Court, by the impugned common judgment, determined the market value of the lands acquired at the rate of rupees two lakhs and fifty thousand per acre. As already stated above, both the claimants and the Land Acquisition Officer have filed these appeals; the claimants have sought further enhancement of the amount of compensation and the Land Acquisition Officer has sought for reduction of the amount of compensation.

2. The learned Senior Counsel for the claimants urged that the High Court committed an error in determining the market value of the lands acquired at the rate of rupees two lakhs and fifty thousand per acre, having held that the claimants were entitled to compensation at the rate of rupees two lakhs and forty thousand per acre and rupees forty eight thousand towards escalation for two years; the market value of the lands acquired should have been determined

at the rate of rupees two lakhs and eighty eight thousand per acre. In support of this submission, the learned counsel placed reliance on Ext. B13, the order made by the Reference Court in OP No. 116 of 1989 whereunder compensation was fixed at the rate of rupees fifty per square yard, which was affirmed by the High Court in AS No. 107 of 1992. This rate of rupees fifty per square yard works out to Rs 2,44,400 per acre. The learned counsel also relied on Ext. B27 only to show that there has been an upward trend as regards prices of the lands which were sold in that area. He did not lay emphasis on Ext. B30 or Ext. B31, sale deeds, and basic value register -- and, rightly so, in our opinion.

3. On the other hand, the learned counsel appearing for the Land Acquisition Officer urged that the amount of compensation cannot be determined taking basic value, as indicated in the basic value register; Ext. B30 and B31, sale deeds dated 21-10-1980 and 2-5-1981 respectively, pertain to small extent of 89 square yards and 300 square yards respectively; these sale deeds, apart from being small extent of lands, are post notification and, therefore, cannot be given much weight. She also submitted that the amount of compensation determined under Ext. B13 cannot be accepted for the purpose of determining the compensation in respect of the lands acquired in these cases as they are situated in a different village. She further submitted that there is no evidence to show as to what should be the rate of escalation in price. According to her, twenty per cent escalation given is not justified. The learned counsel further submitted that even if Ext. B13 is taken into consideration for determining the market value of the lands acquired in these cases, they being agricultural lands, appropriate deduction should be made towards developmental charges.]

4. Under Ext. B13, the lands were acquired for the same purpose for which the lands are acquired in these cases. The notification issued under S.4(1) of the Act in the case covered by Ext. B13 was issued on 11-12-1974 and the notification in these cases was issued on 30-12-1976. The market value of the lands acquired at the rate of rupees fifty per square yard under Ext. B13 has become final. As already stated above, the amount per acre fixed at the rate of rupees fifty per square yard comes to Rs 2,44,400. If an amount of rupees forty eight thousand is added towards escalation for two years at the rate of ten per cent, as done by the High Court in the impugned judgment, it comes to Rs 2,92,400 per acre (Rs 2,44,400 + Rs 48,000 = Rs 2,92,400). Admittedly, the lands acquired are agricultural lands. It is on record that these lands have potentialities for conversion into house sites. They are acquired for the third phase of expansion

of industrial estate. In these circumstances, certain amount has to be deducted towards developmental charges. Ordinarily, one third deduction towards developmental charges would be made, but in these cases, having regard to the facts and circumstances, particularly taking note of the fact that the lands are acquired for expansion of industrial estate, that too for the third phase, and also taking note of the fact that the lands acquired are levelled lands adjoining to developed lands for Phase I and Phase II of industrial estate, we think it is just and appropriate to deduct fifteen per cent towards developmental charges. Fifteen per cent of Rs 2,92,400 comes to Rs 43,800. If this amount is deducted, it comes to Rs 2,48,600 per acre; and we round it off to rupees two lakhs and fifty thousand per acre. Thus, under the circumstances, we determine the market value of the lands acquired at the rate of rupees two lakhs and fifty thousand per acre, making it clear that the claimants are entitled to all the statutory benefits available to them under the Amendment Act 68 of 1984 of the Act on the amount of compensation as determined above. Under these circumstances, we do not find any good ground either to enhance the amount of compensation or reduce it. Thus, the civil appeals stand disposed of in the above terms.

5. No costs.