



IN THE HIGH COURT OF JUDICATURE OF BOMBAY  
BENCH AT AURANGABAD

902 FIRST APPEAL NO. 353 OF 2010

Manohar Ganpati Fulse

VERSUS

The State Of Maharashtra And Anr

...

AND

FIRST APPEAL NO. 348 OF 2010

Shivraj Balaji Kadam

VERSUS

The State Of Maharashtra And Anr

...

AND

FIRST APPEAL NO. 352 OF 2010

Filip Ramkishan Chole

VERSUS

The State Of Maharashtra And Anr

...

AND

FIRST APPEAL NO. 349 OF 2010

Meena Ram Gundale

VERSUS

The State Of Maharashtra And Anr

...

AND

FIRST APPEAL NO. 350 OF 2010

Muktabaidattatraya Chole

VERSUS

The State Of Maharashtra And Anr

...

AND

FIRST APPEAL NO. 351 OF 2010

Aruna Ram Gundale

VERSUS

The State Of Maharashtra And Anr

...

AND

**FIRST APPEAL NO. 354 OF 2010**

Pandurang Muktiram Kadam

VERSUS

The State Of Maharashtra And Anr

...

Mr. Vijay G. Sakolkar and Mr. H. B. Nandgavale, Advocates for Appellant

Mr. S. B. Jadhav, AGP for Respondents/State

....

**CORAM : SANJAY A. DESHMUKH, J.****DATE : 08.04.2026****ORDER :-**

1. These appeals are preferred against the common judgment and award dated 02.04.2009 passed by the learned Land Reference Court, Ahmedpur, District Latur. The following chart reflects all the material particulars of the appeals.

| Sr. No. | First Appeal No. | L.A.R. No. | Block No. | Acquired Area | Compensation awarded by L.A.O. | Compensation awarded by Reference Court |
|---------|------------------|------------|-----------|---------------|--------------------------------|-----------------------------------------|
| 1       | 353/2010         | 248/2005   | 140       | 15 Are        | Rs. 585/- per Are              | Rs. 1,170/- per Are                     |
| 2       | 354/2010         | 252/2005   | 141       | 11 Are        | Rs. 585/- per Are              | Rs. 1,170/- per Are                     |
| 3       | 348/2010         | 251/2005   | 141       | 11 Are        | Rs. 585/- per Are              | Rs. 1,170/- per Are                     |
| 4       | 349/2010         | 255/2005   | 138       | 65 Are        | Rs. 585/- per Are              | Rs. 1,170/- per Are                     |
| 5       | 350/2010         | 259/2005   | 140       | 76 Are        | Rs. 585/- per Are              | Rs. 1,170/- per Are                     |
| 6       | 351/2010         | 254/2005   | 138       | 53 Are        | Rs. 585/- per Are              | Rs. 1,170/- per Are                     |

|   |          |              |     |               |                      |                        |
|---|----------|--------------|-----|---------------|----------------------|------------------------|
| 7 | 352/2010 | 253/2<br>005 | 140 | 1 H 68<br>Are | Rs. 585/- per<br>Are | Rs. 1,170/- per<br>Are |
|---|----------|--------------|-----|---------------|----------------------|------------------------|

2. Though the acquiring body is served with notice by private mode, none appeared to represent.

3. Learned advocate for the appellants pointed out the pleadings, the evidence, the grounds of objections of the appeals and the reasons and findings in the impugned judgments. He submitted that the claimants' lands were acquired for the purpose of construction of the Yestar Storage Tank at village Dhalegaon, Taluka Ahmedpur, District Latur, pursuant to the notification issued and published under Section 4 of the Land Acquisition Act, 1894, dated 22.06.2000. He further pointed out the sale exemplar at Exhibit-22, dated 20.07.2000 wherein 20 Are land was sold for a consideration of Rs.1,00,000/- i.e., Rs.5,000/- per Are. It is submitted that the learned Reference Court, while relying upon the sale exemplar at Exhibit-22, deducted approximately 70 to 80% amount. He submitted that such deduction is not justified in the eyes of law, as the claimants' lands were not acquired for the residential purposes, for which 1/3 land is required for development of roads, open spaces and drainage facilities etc. He further submitted that the learned Reference Court was not justified in deducting such a huge amount and that such a substantial

deduction had caused injustice to the claimants. He prayed to allow the appeals by enhancing the amount of compensation.

4. The learned AGP for the State strongly opposed the appeals and submitted that the claimants' claim has been rightly decided by deducting 50% and above, as the land in the sale exemplar at Exhibit-22 was sold for a business purpose. It has commercial potentialities. Therefore, higher rate must have paid for it. He further submitted that the learned Reference Court has rightly appreciated the evidence and plausible and acceptable reasons are given for it.

5. The learned AGP pointed out clause No. 5 of the operative part of the impugned judgments and submitted that the learned Reference Court erred in awarding interest. He prayed that to correct the same as the claimants are entitled to interest @ 9% per annum for one year from the date of the award and thereafter @ 15% per annum till realization of the amount.

6. The learned AGP relied upon the judgment of the Hon'ble Supreme Court in the case of *Rajalakshmi VS. Special Tahsildar (LA) Koyilandy And Another, (2023) 14 SCC 223*, wherein it is held that while determining compensation in land acquisition matters,

appropriate deductions towards development charges are permissible, particularly when large extents of undeveloped land are compared with smaller developed plots, and such deductions depend upon the nature, location, and potential of the acquired land.

7. Perused the Record and Proceedings, particularly the evidence, pleadings, the reasons and findings in the impugned judgment and the sale Exemplar at Exhibit-22. The sale exemplar at Exhibit-22 dated 20.07.2000 shows that 20 Are land was sold for a consideration of Rs.1,00,000/- i.e., Rs.5,000/- per Are. While going through the reasons recorded in paragraph No.19 of the impugned judgment, the learned Reference Court has not given acceptable and convincing reasons for such huge deduction. In such cases, where the land was not acquired for the development of a layout plan or plots, such a huge deduction is not justifiable. Considering all these reasons and the peculiar facts of these cases, this Court is of the view that a 20% deduction is just and appropriate. If 20% amount out of sale consideration for small size of land in sale exemplar Exhibit-22 is deducted, then the rate comes to Rs.4,000/- per Are, for which the claimants are entitled as compensation which is the market value of the acquired land on the day of issuance of notification under Section

4 of the L.A. Act, 1894. Considering the above reasons case law of *Rajalakshmi VS. Special (Supra)* is not applicable to the case in hand.

8. The argument of learned AGP is acceptable with regard to clause No. 5 of the operative order of the impugned judgments, to the extent that the claimants are entitled to interest @ 9% per annum for one year from the date of the award and thereafter @ 15% per annum till realization of the amount.

9. Considering the matter before this Court and the reasons stated above, the appeals deserve to be allowed by partly setting aside the impugned judgments and awards. Hence, the following order:

**::ORDER::**

- I. The First Appeals are allowed.
- II. The impugned judgments and awards are partly set aside and modified as under:
  - (a) The appellants/claimants are entitled to compensation @ Rs.4,000/- per Are for their acquired lands, including the earlier compensation awarded and received by them, along with all statutory benefits like interest, component and solatium as per the Provisions of the Land Acquisition Act, 1894.
- III. Clause 5 of the operative order of the impugned judgments and awards is modified as under:

The claimants are entitled to interest @ 9% p.a. for one

year from the date of the award i.e., 07.04.2004, and thereafter @15% p.a. till realisation of the amount.

- IV. It is clarified that the appellants / claimants are not entitled to the interest and other statutory benefits for the period of delay, if any, condoned by this Court.
- V. The respondent-Acquiring Authority is directed to deposit the enhanced amount of compensation along with all statutory benefits like interest, component and solatium etc., in this Court within six months.
- VI. If court fee is not sufficiently paid, the appellants shall pay deficit court fee. On receiving the same, the enhanced amount of compensation be paid to the claimants.
- VII. Award be drawn up accordingly.
- VIII. Pending civil applications, if any, are disposed of.
- IX. Record and Proceedings be sent back.

[ SANJAY A. DESHMUKH, J. ]

*HRJadhav*