THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN
AND
THE HON'BLE SRI JUSTICE S.RAVI KUMAR

A.S. NO.2028 OF 2002
AND
A.S. NO.1236 OF 2003

COMMON JUDGMENT:(Per Honourable Sri Justice Ramesh Ranganathan)

Both these appeals are preferred against the order passed by the Additional District Judge, Nizamabad in O.P. No.738 of 1998 dated 26.04.2002 whereby the Reference Court enhanced the market value of the subject land to Rs.20/- per square yard, and deducted 1/4th thereof towards development charges.

Facts, to the limited extent necessary, are that a notification was issued under Section 4(1) of the Land Acquisition Act on 22.06.1996 for acquisition of Ac.8.25 guntas of dry land in Thorlikonda village, Jakranpally Mandal, Nizamabad District for providing house sites to weaker sections. The Land Acquisition Officer passed an award, on 17.12.1997, fixing the market value of the land at Rs.18,000/- per acre. While observing that there were no sale transactions in Thorlikonda village for the past three years, the Land Acquisition Officer relied on sale deeds of adjoining villages i.e., Govindpet, Argul etc. On a reference being sought by the claimants herein, the Reference Court relied on the judgment of this Court in A.S. No.2482 of 1989 wherein the market value of the land, in the neighbouring Mothe village, was fixed at Rs.20/- per square yard and, after giving 1/4th deduction, the net market value was fixed at Rs.15/- per square yard.

In the order under appeal the Reference Court, after taking into consideration the market value, as determined by this Court in A.S. No.2482 of 1989, as the basis, fixed the market value of the subject lands also at Rs.20/- per square yard; and, after allowing 1/4th deduction, fixed the net market value at Rs.15/-per square yard.

Learned Government Pleader for Appeals, appearing for the appellant-Land Acquisition Officer in A.S. No.1236 of 2003, would contend that the Court below ought not to have relied on the market value of Mothe village in fixing the market value of the land in Thorlikonda village. This submission of the Learned Government Pleader necessities rejection for the Land Acquisition Officer has also relied on the sale deeds of adjoining villages i.e., Govindpet, Armoor and Mamidipally, in fixing the market value of the land in Thorlikonda village. We see no error, therefore, in the Reference Court relying on the market value fixed for lands in Mothe village which is, admittedly, a village adjacent to Thorlikonda village. A.S. No.1236 of 2003 fails and is, accordingly, dismissed.

Sri N. Sridhar Reddy, Learned Counsel for the appellant in A.S. No.2028 of 2002 would place reliance on two judgments of the Supreme Court in **Ranjit Singh v. Union Territory of Chandigarh**[1] and **Mehrawal Khewaji Trust (Registered) v. Sate of Punjab**[2] in support of his submission that, since the subject notification relates to the year 1996 and the judgment in A.S. No.2482 of 1989 was filed against O.P. No.84 of 1985, the appellants-claimants are entitled for enhancement of compensation at 15% per annum which would require the market value to be fixed at atleast Rs.38/- per square yard. P.W-4, whose land was acquired by the Government in Mothe village which was the subject matter of O.P. No.84 of 1985, was examined before the Reference Court.

In **Ranjit Singh**[1] the Supreme Court, while dealing with agricultural lands falling in rural areas, enhanced the market value of the land by 10% per year from Rs.33,000/- to Rs.36,000/- per acre. In **Mehrawalkhewaji Trust**[2] the Supreme Court observed that Courts have, time and again, granted 10% to 15% increase per annum while fixing the market value of lands under acquisition. Applying the law laid down by the Supreme Court, in the aforesaid judgments, the market value of the acquired lands would be required to be enhanced atleast by 10% per year. As noted hereinabove, the judgment in A.S. No.2482 of 1989 was preferred against the judgment and decree in O.P. No.84 of 1985. The Lands under acquisition therein, as is evident from the evidence of P.W-4, relates to the year 1984 whereas the lands, which are the subject matter of the present appeals were acquired pursuant to the Section 4(i) notification issued in the year 1996 i.e., after a period of twelve years from the notification under consideration in A.S. No.2482 of 1989. The market value of the subject lands, necessitates enhancement by atleast 10% per annum. As the net market value fixed by the Court below is Rs.15/- per square yard, enhancing the said compensation by 10% per annum for twelve years would require the net market value of the subject lands being fixed at Rs.33/- per square yard.

We consider it appropriate, in such circumstances, to enhance the market value, fixed by the Reference Court, from Rs.15/- per square yard net, to Rs.33/- per square yard net. The appellants-claimants shall be entitled for all statutory benefits, including interest on solatium which the claimants shall be entitled to only from 19.09.2001, in view of the law declared by the Supreme Court in **Sunder v. Union of India**[3].

A.S. No.2028 of 2002 is disposed of, and A.S. No.1236 of 2003 is dismissed. The miscellaneous petitions pending, if any, shall also stand disposed of. No costs.

RAMESH RANGANATHAN

S. RAVI KUMAR

Date: 09.09.2015.

MRKR

[1] (1992) 4 SCC 659

[2] (2012) 5 SCC 432

[3] (2001) 7 SCC 211