IN THE HIGH COURT OF JUDICATURE OF BOMBAY
BENCH AT AURANGABAD

906 X-OBJECTION NO. 247 OF 2025
IN FA/3028/2011

1. Venkat S/o Tukaram Pate,
Age: 48 years, Occu: Agriculture
R/o Deoni Khurd, Tq. Deoni
Dist. Latur.

2. Tukaram S/o Gopalrao Pate,
Age: 29 years, Occu: Agriculture
R/o Deoni Khurd, Tq. Deoni
Dist. Latur. ..Cross-objectors
(Orig. Claimants)

VERSUS

1. The State Of Maharashtra
Through Collector, Latur

2. The Executive Engineer,
Latur Medium Project Division, Latur,
Tq. & Dist. Latur ..Respondents

...

Mr. H. B. Nandagavale a/w Mr. A. V. Sakolkar h/for Mr. V. G. Sakolkar, Advocate for the Petitioners
Mr. S. G. Sangle, AGP for Respondents/State
Ms. Bharaswadkar Patil Kalpalata, Advocate for Respondent No.2

AND

X-OBJECTION NO. 241 OF 2025
IN FA/3027/2011

1. Mathurabai W/o Udhavrao Mukkawar,
Age. Major, Occu: Agri. & Household,
R/o. Borol Tq. Deoni, Dist. Latur

2. Laxmibai W/o Dnyaneshwar Mukkawar,
Age. Major, Occu: Agri. & Household,
R/o. Borol Tq. Deoni, Dist. Latur

3. Shankar S/o Nandkumar Mukkawar,
Age. Major, Occu: Agri.,
R/o. Borol Tq. Deoni, Dist. Latur

4. Revanappa S/o Gundappa Usture,
Age. Major, Occu: Agri.,
R/o. Borol Tq. Deoni, Dist. Latur

Petitioner Nos.1 to 4 through their
Power of Attorney Holder,
Balaji S/o Uddhav Mukkawar,
Age: 50 years, Occu: Agri.
R/o. Borol Tq. Deoni, Dist. Latur

5. Balaji S/o Uddhav Mukkawar,
Age: 50 years, Occu: Agri.
R/o. Borol Tq. Deoni, Dist. Latur. ...Cross-objectors
(Orig. Claimants)

VERSUS

1. The State Of Maharashtra
Through Collector, Latur

2. The Executive Engineer,
Latur Medium Project Division, Latur,
Tq. & Dist. Latur ..Respondents

…

Mr. H. B. Nandgavale a/w Mr. A. V. Sakolkar h/for Mr. V. G. Sakolkar, Advocate for the Petitioners
Mr. S. G. Sangle, AGP for Respondents/State
Ms. Bharaswadkar Patil Kalpalata, Advocate for Respondent No.2

AND

FIRST APPEAL NO. 960 OF 2017

1. Ramchandra Swaruprao Tagare,
Age: 53 years

2. Ashok Swaruprao Tagare,
Age: 47 years

3. Pralhad Swaruprao Tagare,
Age: 38 years

4. Prabhu Tukaram Gavandgave
Age: 86 years,

All Occu: Agri. R/o Sindhikamat
Tq. Deoni Dist. Latur ...Appellants
(Orig, Claimants)

VERSUS

1. The State Of Maharashtra
Through Collector, Latur

2. Special Land Acquisition Officer
(PT & IT) at Latur

3. The Executive Engineer
Latur Medium Project Division, Latur ...Respondents

...

Mr. Vivek V. Bhavthankar, Advocate for Appellants
Mr. S. G. Sangle, AGP for Respondents/State
Mr. Vinesh C. Solshe, Advocate for Respondent No.3

AND

CIVIL APPLICATION NO. 2185 OF 2024 IN X-OBJ/241/2025

AND

CIVIL APPLICATION NO. 2186 OF 2024 IN X-OBJ/241/2025

CORAM : SANJAY A. DESHMUKH, J.

DATE : 25.03.2026

ORAL JUDGMENT :-

1. First Appeal No.960 of 2017 is preferred against the judgment and award dated 22.11.2011 passed by the learned Land Reference Court, Udgir, District Latur in L.A.R. No.1798 of 2010. Cross-objection Nos.247 of 2025 in FA/3028/2011 and Cross-Objection No.241 of 2025 in FA/3027/2011 are preferred against the common judgment and award dated 17.04.2008 passed by the

learned Land Reference Court, Ahmedpur camp at Udgir, District Latur in L.A.R. Nos.683 of 2006 and 680 of 2006, respectively.

2. The following chart reflects all the material particulars of the appeal and Cross-objections filed by the appellants/claimants.

Sr. No	**First appeal/Cross-objections filed by the claimants**	**L.A.R. Nos.**	**Block No.**	**Acquired Area**	**Compensation awarded by LAO per R**	**Compensation awarded by Reference Court per R**
1.	X-Objection No.247/2025	683/2006	25	4 H 12 R	Rs.1,045/-	Rs.5,250/-
2.	X-Objection No.241/2025	680/2006	125/1 125/2	9 H 12 R	Rs.1,045/-	Rs.3,500/- for Jirayat and Rs.5,250/- for (Bagayat)
3.	FA/960/2017	1798/2010	128 & 129	2 H 35 R	Rs.635/-	Rs.3,500/- for Jirayat

3. Mr. H. B. Nandgavale a/w Mr. A. V. Sakolkar holding for Mr. V. G. Sakolkar, learned Advocate for the Cross-objectors/claimants submitted that the claimants lands were acquired for the construction of Borol Storage Tank, at village Borol, Deoni (K), Sindhikamath, Tq. Deoni. Dist. Latur, pursuant to the notification issued and published under Section 4 of the Land Acquisition Act, 1894 (for short L.A. Act) dated 19.08.2004. He submitted that the learned Reference Court, while awarding compensation, relied upon the sale exemplar at Exhibit-37, which is of the lowest consideration. He pointed out the

sale exemplar at Exhibit-36 dated 20.02.2003, wherein 29 Are land, situated at village Deoni, District Latur, was sold for a consideration of Rs. 2,25,000/-, i.e., Rs. 7,758/- per Are. It is a comparable and bona fide transaction, being the highest consideration, which was not relied upon by the learned Reference Court on the ground that the land under the said sale exemplar is of a small size, whereas the claimants' acquired lands are of a large chunk of area. He submitted that the said sale exemplar at Exhibit-36, being of the highest value and from the acquired vicinity ought to have been relied upon by the learned Reference Court. He relied upon the judgment of the Hon'ble Supreme Court in the case of ***Manohar and Others vs. State of Maharashtra and Others*** **(2025 INSC 900)**, wherein it is held that the highest bona fide sale exemplar should be considered.

4. Mr. Nandagavale, learned advocate for the cross-objectors further submitted that the sale exemplar at Exhibit-36, though pertaining to only 29 Are land, can be relied upon by applying a deduction of at the most 20% on account of the small size of the land as compared to the large extent of the acquired lands, in view of the judgment in ***Mehrawal Khewaji Trust (Regd.), Faridkot and Others vs. State of Punjab and Others, AIR 2012 SC 2721***, wherein it is held that

while the highest bona fide sale exemplar should generally form the basis for determining compensation, a deduction of 20% is appropriate when a small-plots sale exemplar is used to value a large tract of land.

5. Learned Advocate for the Cross-objectors/claimants further submitted that the sale exemplar at Exhibit-36 was executed on 20.02.2003, whereas the notification under Section 4 of the Land Acquisition Act, 1894 was issued and published on 19.08.2004. Therefore, the claimants are entitled to cumulative escalation of value @ 10% p.a. for the period of about 18 months i.e., 1 ½ years. He relied upon the judgment in the case of ***Central Warehousing Corporation vs. Thakur Dwara Kalan @ Ul-Maruf Baraglan Wala (Dead) and Others,*** decided on 19.10.2023, arising out of SLP (C) Nos. 30817–30818 of 2016, wherein it is observed that for a shorter period of 3 to 5 years, an annual increase of 10% to 12% may be appropriate, whereas for a longer gap, a lower rate such as 8% may be justified.

6. Learned Advocate for the Cross-objectors/claimants further submitted that the evidence of the valuer of trees, Nandkumar Patil (CW-5) at Exhibit-38, has not been relied upon by the learned

Reference Court, though it ought to have been considered. He, therefore, prayed that the valuation report be accepted. He relied upon the authority of ***Maltibai Navnath Kulkarni VS. The State of Maharashtra and Anr. Special leave petition © No.34508 of 2025 dated 09.02.2026*** in which it is held that while calculating compensation for the loss of fruit-bearing trees, a multiplier of 8 should be applied, and a 20% deduction previously applied by the High Court was incorrect and must be deleted.

7. Learned Advocate for the Cross-objectors/claimants further submitted that the possession of the acquired lands was taken on 12.11.2003, whereas the notification under Section 4 of the Land Acquisition Act, 1894 was issued on 19.08.2004. However, the learned Reference Court did not award any rental compensation to the claimants. Therefore, the claimants are entitled to interest @ 9% per annum on the entire amount of compensation for the period from 12.11.2003 (the date of taking possession) till 19.08.2004 (the date of publication of the notification under Section 4 of the Act), in view of the law laid down by the Hon'ble Supreme Court in ***Shankarrao Bhagwantrao Patil vs. State of Maharashtra, (2022) 15 SCC 657.***

8. Mr. V. V. Bhavthankar, learned Advocate for the Appellants/claimants in First Appeal No.960 of 2017 adopted the argument of Mr. H. B. Nandagavale, learned Advocate for the cross-objectors/claimants. He admitted that the acquired land of the claimants in the present appeal is non-irrigated land. He prayed to allow the appeal by enhancing amount of compensation as per the sale exemplar at Exhibit-36.

9. Mr. Vinesh C. Solshe, learned Advocate for respondent No.3 /acquiring body in First Appeal No. 960 of 2017 strongly opposed the appeal and submitted that the sale exemplar at Exhibit-36 cannot be relied upon, as it pertains to only 29 Are of land, whereas the acquired lands of the claimants are of a large area. He further submitted that the learned Reference Court has rightly relied upon the sale exemplar at Exhibit-37 and awarded a reasonable compensation to the claimants. He further submitted that in the present appeal, the claimants' lands are admittedly non-irrigated, as held by the learned Reference Court. He further submitted that an appeal preferred by the State Government and the acquiring body, being First Appeal No. 1215 of 2021, arising out of L.A.R. No.1799 of 2010 is pending before the Coordinate Bench of this Court, and no

praecipe has been moved by the appellants or the cross-objectors for clubbing the matters. He submitted that, till the decision of the said appeal, the present appeal cannot be decided by relying upon Exhibit-36. He pointed out the operative part of the impugned judgment, particularly clause No. 4, and submitted that the learned Reference Court erred in awarding interest @ 9% per annum from the date of notification. It ought to have awarded interest @ 9% per annum for one year from the date of the award, and thereafter @ 15% per annum till the realisation of the entire amount of compensation. He, therefore, prayed to consider the said aspect and correct the same accordingly. It is lastly prayed to dismiss the appeal, as there is no substance in the grounds of objections of the appeal.

10. Ms. Kalpalata Bharaswadkar Patil, learned Advocate for respondent No. 2 strongly opposed the cross-objections and submitted that the sale exemplar at Exhibit-36 cannot be relied upon, as it pertains to only 29 R of land, whereas the acquired lands are of a large area. She further submitted that the purchaser of the land under the said transaction has not been examined before the trial Court. Therefore, the genuineness and the correctness of the recitals in respect of sale consideration have not been proved. In the absence

of such evidence, the said sale exemplar at Exhibit-36 cannot be safely relied upon for determining the market value of the acquired land. She further submitted that the valuation report cannot be relied upon, as no notice was issued to the Government officials at the time of visiting the acquired lands. She submitted that the evidence has been properly appreciated by the learned Reference Court, which has rightly disbelieved the evidence of the valuer, Nandkumar Patil. She pointed out clause No. 4 of the operative order of the impugned judgment and submitted that the learned Reference Court erred in awarding interest as per provisions of L.A. Act. He prayed that clause No.4 of the operative order of impugned judgment be corrected as the claimants are entitled to interest @ 9% per annum for one year from the date of the final award of L.A.O. and thereafter @ 15% per annum till realization of the amount. She prayed to dismiss the Cross-objections, as there is no substance in the grounds of objections raised therein.

11. Learned AGP for the Respondents-State strongly opposed the appeal and cross-objections and submitted that the sale exemplar at Exhibit-36 cannot be relied upon, as only 29 R land was sold, whereas the claimants' lands are 4H 12 R, 9H 12 and 2 H 35 R which

are of a large area. He submitted that the claimants' evidence is shaken in the cross-examination. He further submitted that the learned Reference Court has properly appreciated the evidence of valuer-Nandkumar Patil, and there is no substance in the grounds of objections of appeals and cross-objections.

12. As far as granting of escalation in price for one and a half years is concerned, he is relying upon the following authorities:

a) ***General Manaer Oil and Natural Gas Corporation Limited Vs. Rameshbhai Jivanbhai Patel And Another, reported in (2008) 14 SCC 745,*** in which it is held that base year has to be excluded while granting escalation in value/price of the properties.

b) ***Kolkata Metropolitan Development Authority Vs. Gobinda Chandra Makal And Another, (2011) 9 SCC 207,*** in which it is held that escalation in value for a short period between the date of the sale exemplar and the date of notification is not granted, as the year of the transaction is to be excluded. Normally, no addition towards escalation is made unless the gap exceeds one year or there is specific evidence showing such increase within a short period.

13. Perused the pleadings, the evidence, the grounds of objections raised in the appeal and Cross-objections and the reasons

and findings in the impugned judgment. The sale exemplar at Exhibit-37 shows the lowest consideration, which has been erroneously relied upon by the learned Reference Court. The learned Reference Court has, however, discarded the sale exemplar at Exhibit 36, which reflects the highest price, on the ground that it pertains to only 29 R of land, whereas the acquired lands of the claimants are of a large area. Considering the law laid down in the case of ***Manohar vs. State (Supra),*** the learned Reference Court ought to have relied upon the said sale exemplar, as it reflects bona fide transaction of the highest consideration. In view of the judgment of ***Mehrawal Khewaji Vs. State of Punjab (Supra)*** even though the size of the land under the sale exemplar is small, such a sale exemplar can be relied upon after an appropriate deduction of 20%.

14. The said sale exemplar at Exhibit-36 is admissible under Section 51-A of the Land Acquisition Act, 1894. It is necessary to clarify proof of the contents of the document is dispensed with as per Section 59 of the Indian Evidence Act, 1872 (now corresponding to Section 57 of the Bharatiya Sakshya Adhiniyam, 2023). However, for proving the signatures on it, as required under Section 67 of the Indian Evidence Act, now Section 65 of the Bharatiya Sakshya

Adhiniyam, the claimants have examined Maroti Madhavrao Shirse (CW-2) and Ram Maroti Surse (CW-3), who are signing witnesses of Exhibits 35 and 36, respectively. Thus, the essential requirements of Section 65 are duly complied with. In civil cases, strict proof is not necessary, and non-examination of the purchaser of the land cannot be a ground to disbelieve the sale exemplar at Exhibit-36. The learned Reference Court failed to properly appreciate the evidence of the claimants, particularly Exhibit-36, which reflects the highest price, but erroneously relied upon Exhibit-37, which reflects the lowest price.

15. The sale exemplar at Exhibit-36 dated 20.02.2003, shows that 29 Are land situated at village Deoni (K) District Latur, was sold for a consideration of Rs. 2,25,000/-, i.e., Rs. 7,758/- per Are. The said sale exemplar can be safely relied upon by deducting 20% towards the small size of the land in sale exemplar at Exhibit-36. After such deduction, the rate comes to Rs.6,206/- per Are. The sale exemplar Exhibit-36 is executed on 20.02.2003, whereas the claimants lands were acquired by the notification dated 19.08.2004, i.e., after about one and a half years. Considering the law laid down in the authorities of ***General Manager Oil Vs. Rameshbhai (Supra)***

and Kolkata Metropolitan Development Authority Vs. Gobinda (Supra), excluding the base year, it would be proper to award escalation @ 5% p.a. for one half year only. Accordingly, the market value of acquired land on the day of notification comes to Rs.6,516/- per Are.

16. The recitals of the sale exemplar at Exhibit-36 show that the land covered under the said transaction is jirayat /non-irrigated land. It is also an admitted fact that the land involved in First Appeal No. 970 of 2017 is non-irrigated land. Therefore, the appellants/claimants in First Appeal No.970 of 2017 are entitled to compensation @ Rs.6,516/- per Are for which the claimants are entitled as compensation.

17. With regard to the claimants land Block No. 25 in Cross-Objection No. 247 of 2025, the 7/12 extracts at Exhibits 14 and 15 show the existence of a well, indicating that there was a water facility available to the said lands. The 7/12 extracts at Exhibits 14 and 15, along with the E-statement of the award at Exhibit-13, clearly establish that the claimants' lands were having water facility through a well situated therein.

18. It is further clarified that, in Cross-Objection No. 241 of 2025, the claimants Mathurabai Mukkawar and Laxmibai Mukkawar have received compensation for a borewell and pipelines, while the claimants Shankar, Revanappa, and Balaji have received compensation for pipelines. Therefore, even though the 7/12 extracts at Exhibits 17 and 18 do not specifically disclose the existence of a well or borewell, the lands in Block Nos. 125/1 and 125/2 of the claimants in Cross-Objection No. 241 of 2025 shall be treated as irrigated lands. The learned Reference Court failed to appreciate evidence adduced by the claimants in its proper perspective and arrived at an erroneous conclusion. The said lands of the claimants are held to be irrigated lands. The reasons and findings recorded by the learned Reference Court in this regard are not legal and correct either on law and facts. The claimants in the Cross-objections are entitled to double the rate of Rs.6,516/-, as their lands are irrigated. Thus, they are entitled to compensation @ Rs.13,032/- per Are which is market value on the date of notification under Section 4 of the Land Acquisition Act, 1894.

19. As far as the argument of Ms. Kalpalata Bharaswadkar, learned Advocate for respondent No.2 in Cross-objections is

concerned that no notice was issued to Government officials at the time of visiting to the acquired lands while valuer visited for valuation of trees, the same cannot be accepted, as this Court, in ***Pandhari and Others Vs. State of Maharashtra, MANU/MH/2645/2019,*** has held in paragraph No. 10 that an objection to the acceptance of a valuation report cannot be sustained merely on the ground that prior notice was not given by the valuer to the respondents before inspection of property. It is observed that the said expert was neither a Court Commissioner nor acting under the direction of any competent authority while valuing the land. The question of issuing notice to the other side would not arise in such circumstances. However, when the valuer is engaged by the claimants to assess their property, he is under no obligation to issue prior notice to the respondents.

20. In the present case, no evidence has been led by the respondents to disprove the said valuation report. Therefore, there is no impediment in accepting the said report.

21. As far as the compensation awarded for mango and other trees in the acquired lands of the claimants in Cross-Objection No. 241 of 2025 is concerned, on perusal of the valuation report and the oral evidence of valuer, this Court found that the report, along with

its charts, lacks necessary details regarding deduction of expenses towards fertilizers, labour charges, transportation, etc. Further, it must be borne in mind that such valuers are remunerative witnesses, and therefore, their reports require careful scrutiny. Considering all these aspects and the law laid down in ***Maltibai Navnath Kulkarni vs. State of Maharashtra*** **(supra)**, wherein the ***Chinda Fakira*** case was considered and deduction of 20% was held to be unjustified. But the said principle is not applicable to the present case, as the costs of production have not been excluded which can be seen from the valuation report.

22. In view of the above reasons, the valuation report can be treated as partly relied upon, but not fully. By deducting 40% amount out of the amount curved out from the said report, it ought to have accepted by the learned Reference Court. Thus, the reasons and findings recorded by the learned Reference Court in this regard are neither legal nor correct and are not sustainable either on facts or in law.

23. Further, the claimants' lands were taken into possession on 12.11.2003, whereas the notification under Section 4 of the L.A. Act was issued on 19.08.2004. For this intervening period of nine months,

the claimants are entitled to rental compensation @ 9% per annum, as per the law laid down in ***Shankarrao Bhagwantrao Patil vs. State of Maharashtra (supra)***.

24. The arguments of Ms. Bharaswadkar, learned Advocate for respondent No.2 in Cross-objections and Mr. Vinesh C. Solshe, learned Advocate appearing for respondent No. 3 in First Appeal No. 960 of 2017, are acceptable with regard to clause No. 4 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 entire amount.

25. Considering all these reasons, interference is warranted in the impugned judgments and awards. The appeal and Cross-objections deserve to be allowed by setting aside the impugned judgment and awards partly. Hence, the following order:

::**ORDER**::

I. The First Appeal and Cross-objections are allowed.

II. The impugned judgment and award are patly set aside and modified as under:

(a) In First Appeal No.960 of 2017, the claimants are entitled to compensation @ Rs.6,516/- 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 etc., as per the Provisions of the Land Acquisition Act, 1894.

(b) In Cross-objections Nos.247 of 2025 in FA/3028/2011 and Cross-Objection No.241 of 2025 in FA/3027/2011, the claimants are entitled to compensation @ Rs.13,032/- 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 etc., as per the Provisions of the Land Acquisition Act, 1894.

(c) The claimants in Cross-objection No.241 of 2025 are entitled to compensation to the extent of 60% of the valuation report at Exhibit-38, which includes the earlier amount of compensation awarded by L.A.O and Learned Reference Court.

(d) The claimants are also entitled to rental compensation @ 9% per annum from the period from 12.11.2003(the date of taking possession) to 19.08.2004 (the date of notification).

(e) Clause 4 of the impugned judgments and awards is modified as under:

The claimants are entitled to interest @ 9% p.a. from the date of the award for one year, and thereafter @15% p.a. till realisation of the amount.

III. 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.

IV. The respondent-Acquiring Authority is directed to deposit the enhanced amount of compensation along with all statutory benefits like interest, component and solatium as per the provisions of Land Acquisition Act in this Court within six months.

V. If court fee is not sufficiently paid, the appellants shall pay deficit court fees. On receiving the same, the enhanced amount of compensation be paid to the claimants.

VI. Award be drawn up accordingly.

VII. Pending civil applications, if any, are disposed of.

VIII. Record and Proceedings be sent back.

[SANJAY A. DESHMUKH, J.]

HRJadhav