

MHNG010102002024



Presented on : 25-09-2024
Registered on : 07-10-2024
Decided on : 08-12-2025
Duration : 01Y02M13D.

BEFORE AD-HOC DISTRICT JUDGE-3, NAGPUR

(Presided over by Smt. T.N. Jadhav)

L.A.R. No. 188/2024

Exh.

(MIHAN Project : Mouza-Isasani
LAC No.3/A-65/2006-2007)

Kiran Uttejanrao Gavhale
Aged: 45 years, Occ. Homemaker
R/o. Ward No.22, Rajiv Wada Road,
Wardha.

..... **Applicant**

// VERSUS //

1. Chief Engineer,
Maharashtra Airport Development
Company Limited (MIHAN), Nagpur.
2. The Deputy Collector & The Special Land Acquisition
Officer III, Collectorate,
Civil Lines, Nagpur.
3. The State of Maharashtra,
Through Collector, Civil Lines,
Nagpur.

..... **Non-applicants**

**REFERENCE UNDER SECTION 18 OF THE LAND ACQUISITION ACT,
1894 FOR ENHANCEMENT OF COMPENSATION**

Appearance:

Ld. Adv. Smt. B.N. Gavhale, for the applicant.
Ld. Adv. Shri. Dipak Gabhane, for non-applicant No.1.
Ld. ADGP Smt. S.F. Shaikh for non-applicant No.2 & 3

JUDGMENT

(Delivered on this 08th day of December, 2025)

This is a reference under Section 18 of the Land Acquisition Act, 1894 (in short "the L.A.Act.)

The applicant's case in short is as follows :-

2. The Award dated 30/07/2009 passed by the Special Land Acquisition Officer-III Collectorate, Nagpur, in Land Acquisition Case No-3/A-65/2006-07 of Mouza Isasani, Taluka-Hingana, District-Nagpur, which is required for "International Airport Cargo Passenger Terminus Multimodel Hub", for public utility purposes. The possession of the land was taken by the Collectorate, Nagpur. The notification u/s 4 of the L.A. Act was published on different dates and lastly on 31/05/2007.

3. It is averred that Survey No.66/2 admeasuring 1.62 hectares at Mouza Isasani, Taluka Hingna, District Nagpur was acquired for MIHAN Project. The Special Land Acquisition Officer, Nagpur passed an award on 30/07/2009 and compensation of Rs.10,03,551/- was deposited.

4. After passing of Award, the plot holders had taken objection before the Collector. Thereafter receipt of objection from plot holders, the Collector had referred the matter to court u/s 30 of Land Acquisition Act 1894 for distribution of compensation. In that proceeding, the court has delivered the judgment on 25/08/2023 in respect of Survey No.66/2 of Mouza Isasani, Taluka-Hingna, District

Nagpur. The reference is filed within limitation after obtaining the certified copy.

5. The applicant purchased plot No.142 admeasuring 600 sq.ft. from Jaimata Cooperative Housing Society in Survey No.66/2. The applicant was objector in proceeding u/s 30 of the L.A. Act. The applicant came to know about the award on 25/08/2023 through the judgment u/s 30 of the L.A. Act regarding distribution of compensation. He applied for certified copy of that judgment and order on 01/09/2023 and it received on 07/11/2023. Hence the reference filed is within limitation. The applicant learnt that compensation of just Rs.4,824/- was awarded, which is arbitrary and far below actual market value.

6. It is contended that Mouza Isasani is a highly developed and close to Nagpur city, surrounded by schools, colleges, hotels, petrol pumps, MIDC, and close to the International Airport and converted NA plot making the land extremely valuable. The market value is around Rs.658/- per sq.ft., but sale deeds in the area showed low prices only because people suppressed actual rates due to stamp duty and pending acquisition.

7. The applicant contends that the LAO ignored the land's development, location, potential, higher market transactions. The award was passed without proper hearing and is based on old records. Thus, the compensation does not reflect true market value and against the principles of valuation. Therefore, the applicant seeks

enhanced compensation of Rs.3,00,000 along with all statutory benefits.

8. Non-applicant No.1 has resisted the reference by filing its written statement at Exh.13. Non-applicants No.2 & 3 have adopted the written statement of non-applicant No.1 by filing pursis. They have specifically denied all the averments in the reference. According to them, the reference preferred by the applicant is not maintainable. The non-applicant/ LAO had issued notice under Section 9(1) & 9(2) of the L.A. Act calling upon the applicant to appear within 15 days of service of notice. The applicant was duly served notice but failed to appear, did not file objections, nor produced any documentary evidence. Hence, the present reference seeking enhancement of compensation is not tenable and is liable to be dismissed. The applicant has further relied on the judgment u/s 30 of the L.A. Act passed by this court on 25/08/2023. However, the present reference is filed in the year 2024 and therefore hopelessly barred by limitation. It is further contended that the applicant has been awarded maximum compensation by adopting all recognized methods of valuation and considering the market rate of the said land as per the Ready Reckoner rates applicable to the area. The acquired land is barren. The higher rate claimed by the applicant is imaginary and not supported by any evidence. The applicant accepted the compensation amount without protest and has not produced any documents to prove that the applicant accepted the compensation amount under protest. Therefore, lastly prayed for rejection of reference.

9. Issues framed by my learned predecessor at Exh.14 along with findings and reasons are as follows:

S.N.	Issues		Findings
1.	Whether the application is within limitation?	...	Yes.
2.	Whether the claimant proves that the SLAO granted inadequate compensation for the acquired land?	...	Yes.
3.	Whether the claimant is entitled for enhanced compensation?	...	Partly Yes.
4.	What order ?	...	As per final order.

REASONS

10. Applicant has filed her evidence affidavit as AW-1 at Exh.16 and relied upon documents such as copy of award dated 30.07.2009 (Exh.17), copy of sale deed (Exh.18), copy of judgment of LAC No.603/2009 dated 25.08.2023 (Exh.21) and copy of earlier judgment of LAR No.51/2015 dated 25.01.2023 (Exh.28).

11. Applicant closed her oral evidence by filing pursis vide Exh.24. Non-applicants without leading any evidence closed its oral evidence by filing pursis at Exh.25 & 26.

12. Heard learned Advocate for applicant and learned Advocate for non-applicants.

ISSUE NO.1:

13. This is reference under Section 18 of the The L.A. Act, 1894. The proviso to Section 18(2) of The L.A. Act deals with the

question of limitation. It prescribes that every such application shall be made (a) if the person making it was present or represented before the Collector at the time when he made his award within six weeks from the date of the Collector's Award; (b) in other cases within six weeks of the receipt of the notice from the Collector under Section 12(2), or within six months from the date of the Collector's award whichever shall first expire.

14. In Raja Harish Chandra Raj Singh Vs. the Dy. Land Acquisition officer & another (AIR 1961 SC 1500), it is observed that the Award of the Collector is not a decision but an offer of compensation on behalf of the Government to the owner of the property and it is not effective until it is communicated to the owner. It is further observed that the making of the Award does not consist merely the physical act of writing the Award or signing it or filing it in the office of the Collector; it also involves the communication of the Award to the owner either actually or constructively. It is held that, consequently, the words "date of the Collector's Award" occurring in proviso (b) to Section 18 of the Land Acquisition Act requires to be read as referring to the date of knowledge of the essential contents of the Award and not the actual date of the Collector's Award.

15. According to applicant, non-applicant No.2 referred the dispute in apportionment of compensation u/s 30 of The L.A. Act. The said LAR No.603/2009 was decided on 25.08.2023 and the plot holders (including applicant) became entitled to get compensation @ Rs.8.04 per sq.ft. for the area of their plots from the compensation

awarded in respect of land Survey no.66/2 together with accumulated interest thereon. Thus, on 25.08.2023, applicant became entitled to receive compensation for her acquired plot No.142 admeasuring 600 sq.ft. in the layout developed by said society on land Survey No.66/2 of Mouza Isasani and she gained the knowledge of the award.

16. Thus, in the present case, applicant became entitled to compensation only after judgment delivered on 25.08.2023 in LAR No.603/2009 u/s 30 of The L.A. Act (by resolving dispute over apportionment), the limitation period for Section 18 of The L.A. Act begins from the date of the above said judgment dated 25.08.2023 in LAR No.603/2009, when the applicant gained knowledge of the award in relation to her entitlement. Thereafter she applied for certified copy of that judgment and order on 01/09/2023 and it received on 07/11/2023. The applicant filed this reference application on 09/11/2023 for enhancement of compensation i.e. within six weeks from the date of receipt of the certified copy of Judgment in LAR No.603/2009. So, the present reference application is within limitation. Hence, issue No.1 answered in the “affirmative”.

ISSUE NO.2 & 3:

17. While dealing with this issue, one has to keep in mind that the application under section 18(1) of the L.A Act is not an appeal against the Award passed by the SLAO. Therefore, the Court cannot take into account the material relied upon by the SLAO in his Award, unless the some material is produced and proved before the Court. It is also to be kept in mind that the application is like Civil Suit. These legal principles are laid down in the matter of **Chimanlal**

Hargovinddas Vs. Special Land Acquisition Officer, Poona and another (AIR 1988 Supreme Court 1652).

18. In light of the aforesaid legal principles enunciated in aforesaid citation, it needs to be seen as to whether applicant has proved her case which is set out in the grounds in the reference as well as testified in her evidence affidavit.

19. It is admitted fact that the barren agricultural land bearing Survey No.66/2, admeasuring 1.62 HR of village Isasani, Tahsil Hingna, District Nagpur in Land Acquisition Case No.3/A-65/2006-2007 was acquired by the Government through the SLAO for the purpose of development of Meghdoot/Multi Model International Hub Airport at Nagpur (MIHAN).

The non-applicants after publishing the necessary notification under Section 4 of The L.A. Act lastly on 31/05/2007 and under Section 6 of The L.A. Act on 18/12/2007, had passed the Award on 30/07/2009. The SLAO granted compensation of Rs.10,03,551/- for Survey No.66/2 in favour of Jaimata Cooperative Housing Society Ltd., Nagpur from whom present applicant purchased her plot No.142 vide sale deed (Exh.18) dated 20.03.2001. Non-applicant No.2 referred the dispute for apportionment of compensation u/s 30 of The L.A. Act to the court, where the present applicant is objector/intervenor No.2. The said LAR No.603/2009 was decided on 25.08.2023 and the plot owners of Jaimata Cooperative Housing Society became entitled to get compensation @ Rs.8.04 per

sq.ft. for their plotable area from the compensation awarded in respect of land Survey no.66/2 together with accrued interest thereon.

20. According to applicant, the said compensation of @ Rs.8.04 per sq.ft. is not proper, just and reasonable. Besides oral evidence of AW-1 Kiran, Learned Advocate for applicant has relied upon copy of award dated 30.07.2009 (Exh.17), copy of sale deed (Exh.18), copy of judgment of LAC No.603/2009 dated 25.08.2023 (Exh.21) and copy of earlier judgment of LAR No.51/2015 dated 25.01.2023 (Exh.28).

21. Per contra, learned Advocate for non-applicants have argued that the compensation granted by SLAO is proper and adequate. The prayer therefore of applicant for enhancement is without any basis.

22. In this situation, it is necessary to peruse the copy of the award to see whether the compensation granted by SLAO is proper and adequate. On perusing the award (Exh.17) dated 30.07.2009, it appears that the SLAO has made grouping of land on the basis of assessment of land revenue and determined the compensation by adopting three different methods of valuation.

23. The SLAO has considered the valuation date 31.05.2007 at the time of determining the market value. The land of applicant is

in Group-II, therefore, SLAO has determined the rate of Rs.3,97,100/- per hectare for barren land.

24. However, it is significant to note that opponents have not produced on record the sale deeds mentioned in the award passed u/s 11 of the L.A. Act. Therefore, the sale instances cannot be taken into consideration. As per ratio of **Bharat Sanchar Nigam Limited Vs. Nemichand Damodardas in Civil Appeal No.3478/2022, decided on 11.07.2022 (2022 LiveLaw (SC) 603)**, “ready reckoner rates which are meant for calculation of the stamp duty cannot be basis for determination of land acquisition compensation under the L.A. Act. Hence, as per settled principle of law, granting compensation as per the ready reckoner rate is not proper.”

25. Further, the classification on the basis of land revenue assessment is not proper as held in **Raja Bhairabendra Narayan Bhup Vs. Collector of Gopalpara at Dhubri, AIR 1987 Gauhati 51**. This decision, in its turn relies on the decision of the Hon’ble Supreme Court in **State of West Bengal Vs. Shyampada, AIR 1975 SC 1723**. It is observed that:

While classification of the land for revenue purposes might have its own rational, it is not uncommon to find that land which has lower classification for revenue purposes fetches a higher price in the market.

26. Now, it is well settled that the compensation cannot be fixed on classification of lands on the sole basis of land revenue. The

same principle is reiterated by the Hon'ble Bombay High Court in **State of Maharashtra Vs. Baliram Girdhar Patil, 2006(6) Mh.L.J. 82.**

27. Non-applicants have not adduced any evidence to show that the compensation awarded by them is just and proper.

28. Therefore, in cumulative discussion, it can be safely inferred that SLAO has not properly determined the market value of the land of the applicant on the date of publication of notification u/s 4 of the L.A. Act. Consequently, SLAO has granted inadequate compensation to the applicant.

29. Coming to the earlier judgment relied upon by Ld. Advocate for applicant the land in aforesaid earlier Judgment LAR No.51/2015 and in present case are acquired for the same project and by the same notification and for same purpose. Their Award is also same. Therefore, same can be made applicable to applicant. Hence, applicant is entitled to get enhanced compensation at the rates given by the previous Judgment of this Court on the ground of parity.

30. There is nothing on record that the Judgment in LAR No.51/2015 is challenged before Hon'ble High Court and that the rates fixed in this Judgment is set-aside or any stay is granted to implementation of the order passed in this Judgment. In absence of any such evidence, and for discussion above, the applicant will be

entitled to compensation at the rates given in this earlier Judgment on the ground of parity.

31. By the previous Judgment, the Court has determined market value of Rs.585/- per Sq.Mtrs. This rate is more than the rate given by the SLAO.

32. Considering the previous Judgment of this Court and the aforesaid discussion, I am of the opinion that the market value of the acquired land on the date of notification under Section 4 of L.A. Act, if fixed at the rate of Rs.585/- per Sq.Mtrs., would be just, fair and reasonable. It would be also adequate. Hence, the market value of the land on the date of notification is determined at the above rate. It is to be noted that the SLAO has given the rate less than aforesaid rate.

33. As discussed above, the market value of the acquired plot on the date of notification under Section 4 of the L.A.Act is fixed at the rate of Rs.585/- per Sq.Mtrs. The applicant is entitled to get the compensation at that rate. Therefore, the applicant is entitled to get the compensation at aforesaid rate.

34. As applicant is entitled for enhanced compensation, therefore, he is entitled to 30% solatium on enhanced compensation as per Section 23(2) of the L.A. Act and 12% p.a. component from the date of notification u/s 4 of the L.A. Act till the date of Award as per Section 23(1-A) of the L.A. Act.

35. It is to be noted that in the present case, admittedly the possession is taken under section 16 of The L.A. Act. That means it is not taken before passing of the Award by SLAO. In such a situation the applicant is entitled to receive interest from the date of taking possession of the acquired land in view of Section 28 of The L.A. Act. It is so held in the matter of **Special Land Acquisition Officer Mysore Urban Development Authority Vs. Sakamma ((2010) 14 SCC 503)** and **D-Block Ashok Nagar (Sahibabad) Plot Holders' Association (Regd.) Vs. State of U.P and others, ((1997) 10 SCC 77)**. Therefore, applicant is entitled to interest under Section 28 of the L.A. Act on the enhanced compensation at the rate of 9% p.a. for first year from the date of taking possession and @ 15% p.a. for the subsequent period till the date of realization of the amount. For aforesaid reason, issue No.2 is answered in the “affirmative” and issue No.3 is answered in “partly affirmative”.

ISSUE NO.4:

36. Having arrived at aforesaid findings, the reference deserves to be partly allowed. Accordingly, the following order is passed:

ORDER

1. The application is partly allowed with proportionate costs.
2. The non-applicants are directed to pay the enhanced compensation to the applicant at the rate of market value of Rs.585/- per Sq.Mtrs. for total area of 55.74 sq.mtr. (600 sq.ft.) for Plot No.142, out of Survey No.66/2 of Mouza-Isasani, Tahsil-Hingna, District-Nagpur.
3. The applicant is also entitled for the solatium at the rate of 30% on market value of the land under Section 23(2)

of the L.A. Act and for 12% additional component from the date of notification under Section 4(1) of the L.A. Act to the date of Award under Section 23(1-A) of the L.A. Act.

4. The applicant is entitled for the interest at the rate of 9% p.a. on the amount of compensation for the first year from the date of taking possession of acquired land and, thereafter, at the rate of 15% p.a. till the date of realization of the amount.
5. The ex-gratia compensation (Sanugrah Anudan) if withdrawn by the applicant, then it would be adjusted from the total compensation.
6. The deficient Court fee be paid by the applicant, if any.
7. Award shall be drawn up accordingly.

Nagpur.
Dt/- 08/12/2025

(Smt. T.N. Jadhav)
Adhoc District Judge-3,
Spl.Court Designated under MIHAN,
Nagpur.

Endorsement :-

Case argued on : 08/12/2025
Judgment dictated & delivered on : 08/12/2025
Checked & signed : 08/12/2025