

**IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
R/SPECIAL CIVIL APPLICATION NO. 2331 of 2026**

**FOR APPROVAL AND SIGNATURE:
HONOURABLE THE CHIEF JUSTICE MRS. JUSTICE SUNITA AGARWAL
and
HONOURABLE MR.JUSTICE D.N.RAY**

Approved for Reporting	Yes	No

PIYUSHBHAI KANCHANBHAI PATEL & ORS.

Versus

PRANT OFFICER, KARJAN AND SPECIAL LAND ACQUISITION OFFICER & ANR.

Appearance:

MR. MAULIK G. NANAVATI FOR NANAVATI & CO.(7105) for the Petitioner(s) No. 1,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26,27,28,29,30,31,32,33,34,35,36,37,38,39,40,41,42,43,44,45,46,47,48,49,50,51,52,53,54,55,56,57,58,59,60,61,62,63,64,65,66,67,68,69,70,71,72,73,74,75,76,77,8,9

MS. MAITHILI MEHTA, ASSISTANT GOVERNMENT PLEADER for the Respondent(s) No. 1

MR ANKIT SHAH(6371) for the Respondent(s) No. 2

**CORAM:HONOURABLE THE CHIEF JUSTICE MRS. JUSTICE SUNITA
AGARWAL**

and

HONOURABLE MR.JUSTICE D.N.RAY

Date : 26/02/2026

ORAL JUDGMENT

(PER : HONOURABLE THE CHIEF JUSTICE MRS. JUSTICE SUNITA AGARWAL)

The petitioners herein are raising the dispute regarding non-award of the benefits of Section 30(3) of the the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2017 (in short as 'the 2013 Act'), whereunder additional compensation @ 12% per annum is payable on the market value determined under Section 26 of the 2013 Act.

2. It is the case of the petitioners herein that while granting the benefit of Section 30(3) of the 2013 Act, the competent authority under the Railways Act, 1989 has awarded 12% additional compensation on the market value assessed under Section 26(1) of the 2013 Act, on the premise that the benefits are available only on the base market value and the multiplication Factor-2 under sub-section(2) of Section 26 cannot be taken into consideration to award additional compensation @ 12% under Section 30(3) of the 2013 Act.

3. It is submitted by Mr. Maulik G. Nanavati, the learned counsel for the petitioners that the said issue has been set at rest by this Court in the case of **Special Civil Application No. 7561 of 2023 and other cognate petitions** decided on 23.12.2025. It is relevant to reproduce the relevant paragraphs from the said decision as under:

“96. Keeping in mind all the above noted principles of statutory interpretation, we have no reason to assign a different meaning to the word “market value” than defined in Section 3(u) of the Act, which would mean “the value of the land determined in accordance with Section 26 of the Act, 2013”. Section 26, as discussed hereinbefore, provides different criterias for determination of market value of land and Sub-Section (2) is included therein, which provides for application of multiplication Factor 2 on the market value of the land calculated as per Sub-Section (1). In the Scheme of the Act, Section 28 refers to the “market value as determined under Section 26” being the first factor in determining the amount of compensation. Section 30(3) provides that in addition to the “market value of the land provided under Section 26”, the Collector shall award an amount calculated @ 12% on “such market value” for the period provided therein in every case.

97. Ms. Manisha Lavkumar, learned Additional Advocate General, would argue that the phrase “such market value” occurring in the third line of Sub-Section (3) of Section 30 of the Act, 2013 is to be considered as “the market value determined under Section 26(1) of Act, 2013 only”. To deal with this submission, at the cost of repetition, suffice it to note that there

has been a consistent view of the Courts that when the legislature has used the same word or expression in different parts of the same Section or statute, there is a presumption that such word or expression is used in the same sense throughout. Where the draftsman uses the same word or phrase in similar contexts, he must be presumed to intend it in each place to bear the same meaning. (*Reference: House of Lords in Farrel Vs. Alexander*¹⁹)

98. The law is that the Court embarking upon interpretative expedition shall identify the contextual use of the word or expression and then determine its direction, avoiding collision with inconsistency and repugnancy.

99. In Shorter Oxford English Dictionary, (5th ed, 2003, Volume 2) the meaning of the word “such” is defined as “*of the kind, degree, or category previously specified or implied contextually; of the same kind or degree as something previously specific or implied contextually; of that kind; similar; of the character previously specified by a preceding adjective, so; of the kind, degree, category being or about to be specified.*”

100. Thus, the use of the word “such” as an adjective prefixed to a noun is indicative of the draftsman’s intention that he is assigning the same meaning or characteristic to the noun as has been previously indicated or that he is referring to something what has been said before. This principle has all the more vigorous application when two places, employing the same expression, at the earlier place the expression having been defined or characterised and at the latter place having been qualified by use of word “such”, are situated in close proximity (Reference: Paragraph ‘43’ **Central Bank of India Vs. Ravindra and Others** [(2002) 1 SCC 369].

101. Considering the above, we are of the opinion that the meaning assigned to the expression “market value of the land provided under Section 26 of the Act, 2013”, occurring in the first line of Sub-Section (3) of Section 30 of the Act, 2013 should continue to be assigned to “market value” occurring in the third line, where the said expression has been used qualified by the adjective “such”. In other words, the expression “market value” qualified by the adjective “such” occurring in the third line shall have to be assigned the same meaning characterized to the same expression in the first line of Sub-Section (3) of Section 30 of the same sentence. The Act defines “market value” to mean as the “market value determined in accordance with Section 26 of the Act, 2013”. Thus, the expression “market value” occurring in various Sections of the Act, 2013 is to be assigned the same meaning as the “market value determined or provided under Section 26”. The expression “such market value” will also be given the same meaning and cannot be assigned a different meaning to the “market value” being the value determined in

accordance with Sub-Section (1) of Section 26 of the Act, 2013, only. Such an interpretation would cause violence to the statute as it would require us to add and read sub-section (1) not only in the first line of Sub-Section (3) of Section 30, which qualifies the expression “such market value” in the latter part of the said Sub-Section, but would also require us to read Sub-Section (1) in Section 3(u), which is the definition clause.

102. The contention of the learned Additional Advocate General on the submission pertaining to the interpretation of the words “such market value” occurring in Sub-Section (3) of Section 30 to mean as the “market value determined under Sub-Section (1) of Section 26 only” is liable to be rejected, accordingly.

103. Having reached at this stage, we find that Section 26 in the Act, 2013 is a provision, which provides for different factors for assessment and determination of the market value of the land, acquired under the Act; Sub-Section (1) of Section 26 provides a set of criterias for assessment of market value; Sub-Section (2) of Section 26 provides for application of multiplication Factor 2 to the calculation of the market value made under Sub-Section (1). The multiplication Factor is provided in the First Schedule and as per Item No.2 for rural area, the manner of determination of value is “1.00 (One) to 2.00 (Two) based on the distance of project from urban area, as may be notified by the appropriate Government. The notification of the Central Government dated 09.02.2016 published in the Official Gazette provides that in case of rural areas, the factor by which the market value is to be multiplied is 2.00 (Two). The multiplication Factor as per Sub-Section (2) of Section 26 of the Act, 2013, is an additional factor conceived by the legislature to be added to the market value determined under Sub-Section (1) of Section 26 incorporated in the statute itself, depending upon the location of the acquired land, as per the notification of the appropriate Government.

104. Sub-Section (3) of Section 26 of the Act, 2013 in the opening line, also refers to both Sub-Section (1) and Sub-Section (2) while stating that in a case where the market value cannot be determined under Sub-Section (1) or Sub-Section (2), for the reasons provided therein, the State Government shall specify the floor price as provided therein.

105. It is, thus, difficult for us to accept that the multiplication Factor notified by the appropriate Government under the Scheme of the Act, 2013, to be added in the market value of the land determined under Sub-Section (1) of Section 26, as per Sub-Section (2) of Section 26 is a part of “compensation package” and is not included in the expression the “market value” of the land as determined under Section 26 of the Act, 2013. The “market value” of the land being the end product of different components of assessment and determination, cannot be confused with the

connotation or the word “compensation” under the Scheme of the Act, 2013, which includes parameters other than the market value of the land determined under Section 26, inasmuch as, it includes the values of the assets attached to the land, the award amount in accordance with the First and Second Schedules, the damages computed, if any, under Section 28 and Solatium under Sub-Section (1) of Section 30 of the Act, 2013.

106. It is further interesting to note that neither the damages, if any, awarded under Section 28 are mentioned as one of the components of “compensation package” in the First Schedule nor there is a mention of the statutory amount @ 12% provided in Section 30(3). The expression “amount of compensation” in Section 28 is inclusive of the award amount under the First Schedule along with other parameters mentioned therein. This would further be indicative of the intention of the legislature that the components of “compensation package” provided in the First Schedule are not exhaustive and the expression “compensation package” therein will not control or govern the meaning of the word “compensation” or “market value” in the Scheme of the enactment.

107. From the table extracted in the First Schedule, it may be noted that it refers to certain details which the Collector has to mention in the individual awards, such as the market value of the land; value of the assets attached to land and building and Solatium, while making of the final awards in the lands of rural areas by application of multiplication Factor notified by the appropriate Court. One of the main purpose of the First Schedule is to provide the mechanism of working out the multiplication Factor to be applied to the land in rural areas, and the said purpose stood served with the notification of the appropriate Government. The First Schedule cannot be given undue importance to employ it for the purpose more than for which it has been introduced by Sub-Section (2) of Section 30, so as to control the meaning of the expression “market value” and “compensation” in the entire enactment.

108. In the result, all the contentions made by the learned Additional Advocate General to impress upon us that the additional amount @ 12% can only be awarded on the “base market value” assessed and determined as per Sub-Section (1) of Section 26 and it cannot be computed on the multiplication Factor as provided in Sub-Section (2) of Section 26 for determination of the market value of the land, are liable to be turned down.

109. Moving further, we may note that the additional amount payable under Section 30(3) of the Act, 2013 is neither an interest nor solatium. It is an additional compensation designed to compensate the owner of the land for the rise in price during the pendency of the land acquisition proceedings. While interpreting Section 23 (1A) of the Act, 1894, which is *pari materia* to Section

30(3) of the Act, 2013, it is held by the Apex Court in **Assistant Commissioner, Gadag Sub-Division, Gadag Vs. Mathapathi Basavannewwa and Others [(1995) 6 SCC 355]** that Section 23(1-A) was introduced by the legislature to mitigate the hardship caused to the owners of the land and to offset the effect of inflation and the rise in the value of properties, for the period commencing from the date of Section 4(1) notification till the date of the award.

110. In cases where the publication of notification under Section 4(1) was by invoking power of urgency under Section 17(4) of the Act, 1894 and possession has been taken before making of the award, the additional amount @ 12% per annum is intended to be paid as compensation from the date of taking possession till the date of making of the award.

111. The Apex Court in the case of **Commissioner of Income Tax, Faridabad Vs. Ghanshyam [(2009) 8 SCC 412]** while dealing with the question as to whether the amount of additional compensation under Section 23 (1-A) of the Act, 1894 and interest thereon would be taxable as income, has held that:

“30. The additional amount payable under Section 23(1-A) of the 1894 Act is neither interest nor solatium. It is an additional compensation designed to compensate the owner of the land, for the rise in price during pendency of the land acquisition proceedings. It is measure to offset the effect of inflation and the continuous rise in the value of properties (See State of T.N. v. L. Krishnan). Therefore, the amount payable under Section 23 (1-A) of 1894 Act is an additional compensation in respect to the acquisition and has to be reckoned as part of the market value of the land.

31. Sub-Section (1-A) of Section 23 was introduced by the Land Acquisition (Amendment) Act, 1984. It provides that in every case the court shall award an amount as additional compensation at the rate of 12% per annum on the market value of the land for the period commencing on and from the date of publication of the notification under Section 4(1) to the date of the award of the Collector or to the date of taking possession of the land, whichever is earlier. In other words sub-section (1-A) of Section 23 provides for additional compensation. The said sub-section takes care of increase in the value at the rate of 12% per annum.”

112. The market value of the land determined under Section 26 as on the date of the notification under Section 11 of the Act, 2013 (Section 3A of the National Highways Act, 1956 for the present case) is static. The additional compensation @12% is designed to compensate the owners for the increase in the value of the land during the pendency of the land acquisition proceedings and is to

be reckoned as a part of the market value of the land. The additional amount @ 12%, thus, has to be computed combining all the factors for assessment and determination of the market value under Section 26 of the Act, 2013.

113. In the instant case, the multiplication Factor 2 for the lands of the rural area was required to be included in the original award declared sometime in the year 2017 as for providing just and fair market value of the land to the land owners as on the date of the notification under Section 3A of the Act, 1956. The additional compensation under Sub-Section (3) of Section 30 of the Act, 2013 @ 12% per annum was required to be computed on the total amount of the market value of the land determined under Section 26, by including multiplication Factor 2. Because of the delay in the notification by the Central Government as per the first schedule, which came in the year 2016 and the subsequent approach of the State Government in denying the benefit of the said notification to the lands lying in the rural area in the State, this Court had to intervene on the question of application of the appropriate multiplication factor for the lands in question."

4. It was, thus, concluded in paragraph No. '115' as under :-

"115. With the above, we hold that the petitioners herein are entitled to the additional compensation (@ 12% per annum) to be computed on the market value by application of multiplication Factor 2 as per Section 26 of the Act, 2013, from the date of Section 3A notification under the Act, 1956 till the date of making of the original award (in the year 2017), inasmuch as, in the instant case, the possession of the lands in question had been taken after declaration of the award in the year 2017 and payment of compensation thereunder. The terminal point under Section 30(3), being the date of the award (original award), is applicable in this case being earlier in point of time to the date of taking possession."

5. On the issue of award of interest under Section 80, it was further held in paragraph No. '116' as under :-

"116. As regards the interest under Section 80 of the Act, 2013, the same would be payable to the land owners on the additional amount to be determined by the competent authority, as per Sub-Section (3) of Section 30 of additional compensation which is to be computed on the difference of the market value determined by application of multiplication Factor 2, in the amended awards passed in the year 2021. As the additional compensation @ 12 %

per annum is considered to be a factor designed to compensate the owners of the land for the rise in the land prices during the pendency of the land acquisition proceedings, it would be treated as the part of the compensation, which was required to be included in the final (original) award passed by the Special Land Acquisition Officer in the year 2017. As there has been non-payment of the full compensation amount as per the Scheme of the Act, 2013, the unpaid amount of the compensation would carry interest @ 9% & 15% under the Scheme of Section 80 of the Act, 2013, from the date of taking possession of the land in question till the date of deposits or payments made under the amended award passed by application of multiplication Factor 2. It is clarified that we have confined the liability of interest under Section 80 upto the date of making of the deposits or payments under the amended award, taking into account that there has been delays in filing the Writ Petitions in this bunch, seeking for the benefit of Section 30(3) which was not included in the amended awards passed sometime after 2021."

6. There is no dispute about the entitlement of the land owners to the benefit of sub-section(3) of Section 30 of the market value determined. Under Section 26(1) of the 2013 Act, which was termed as base market value in various circulars issued by the National Highways Authority of India, which had led to the denial of the said benefits on the determination of the additional market value by application of multiplication Factor-2, not included in the original award. This dispute has been settled with the above noted decision. On a query made by the Court, Ms. Maithili Mehta, the learned AGP would submit that there is no challenge to the said decision, rendered in the acquisitions made under the National Highways Act and the same is holding the field on date.

7. We may note that the acquisition of the lands-in-question though were for the purposes of the projects of Railways, but have been made under the 2013 Act and this fact is not refuted by Mr. Ankit Shah, the learned advocate appearing for the respondent railways.

8. In view of the above, we find it just and proper to provide the benefits of Section 30(3) for the lands-in-question, in the same terms and conditions of the aforesaid decision passed in Special Civil Application No. 7561 of 2023 and other cognate petitions.

9. The competent authority is hereby directed to make a fresh calculation of the unpaid additional compensation @ 12% on the market value determined by application of multiplication Factor-2 under Section 26(2) of the 2013 Act awarded for the land-in-question in the award dated 15.09.2022, itself.

10. On the question of grant of statutory interest under Section 80 of the 2013 Act on the unpaid amount, we simply provide that since the petitioners have approached this Court after a period of more than three years, they are held entitled to the benefit of interest @ 9% and 15% under Section 80 of the 2013, Act for a period of three years from the date of the award, which is 15.09.2022 in the present case.

11. The competent authority shall be required to pass the award under the aforesaid directions within a period of six weeks from the date of receipt of a copy of this order.

12. With the above observations and directions, the petition stands disposed of.

(SUNITA AGARWAL, CJ)

(D.N.RAY,J)

C.M. JOSHI

Original copy of this order has been signed by the Hon'ble Judges.
Digitally signed by: CHANDRAKANT MAHADEV JOSHI(HC01073), Principal Pvt. Secretary, at High Court of Gujarat on 05/03/2026 13:41:45