IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

FIRST APPEAL NO. 203 OF 2025
WITH
CIVIL APPLICATION NO.142 OF 2026
WITH
CIVIL APPLICATION NO. 1228 OF 2025

. General Manager,
Power Grid Corporation Of India Ltd.
Bhadrawati Dist Chandrapur . ...Appellant

VERSUS

1. The State Of Maharashtra,
Through The Collector Beed,
Taluka And District Beed.

2. Ramesh S/o. Bhanudas Shep
Age; 50 years, Occu: Agriculture,

3. Uttam S/o. Bhanudas Shep
Age: 50 years, Occu: Agriculture,

4. Manik S/o. Patloba Shep
Age: 66 years, Occu: Agriculture,

5. Jyoti D/o. Babu Shep
@ Jyotiram Baburao Shep
Age: 58 years, Occu: Agriculture.

6. Baburao S/o. Gyanba Shep
Age: 55 years, Occu: Agriculture.

7. Ashok S/o. Tulshiram Sirsath
Age: 29 years, Occu: Agriculture.

8. Janardan S/o. Murkinda Shep
Age: 55 years, Occu: Agriculture.
9. Ramkishan S/o. Murkinda Shep
Age: 53 years, Occ: Agriculture.

10. Sudam S/o. Murkinda Shep
Age: 48 years, Occu: Agriculture.

11. Subhash S/o. Jyotiram Shep
Age: 48 years, Occu: Agriculture.

12. Omprakash S/o. Narsing Shep
Age: 26 years, Occu: Agriculture.

13. Ramkishan S/o. Manaji Shep
Age: 52 years, Occu: Agriculture.

14. Dhondiram S/o. Mahaji Shep
Age: 58 years, Occu: Agriculture.

15. Pralhad S/o. Manaji Shep
Deceased through his legal representatives

15A. Sumanbai Wd/o Pralhad Shep
Age: 52 years, Occu: Household & Agriculture.

15B. Mahadeo s/o. Pralhad Shep
Age: 23 years, Occu: Agriculture.

15C. Vaibhav s/o. Pralhad Shep
Age: 20 years, Occu: Agriculture.

Respondent Nos. 2 to 15C R/o. Shepwadi,
Tal. Ambejogai, Dist. Beed. ...Respondents

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Mr. V. D. Sapkal, Senior Advocate i/by Mr. G. S. Rane, Advocate for Appellant.
Dr. Kalpalata Patil Bharaswadkar, AGP for Respondent/State.
Mr. D. R. Bhadekar, Advocate for Respondent Nos. 6 to 13
Mr. V. V. Bhavthankar, Advocate for Respondent No.4.

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CORAM : KISHORE C. SANT &
SUSHIL M. GHODESWAR, JJ.

RESERVED ON : 12th MARCH 2026.
PRONOUNCED ON : 7th MAY 2026.

ORDER :- [Per: Kishore C. Sant, J.].

1. Heard Mr. Sapkal, the learned Senior Advocate i/by Mr. Girish Rane, Advocate for the appellant, Dr. Bharaswadkar, the learned AGP for Respondent/State, Mr. Bhavthankar, the learned Advocate for Respondent No.4 and Mr. Bhadekar, learned Advocate for Respondent Nos. 6 to 13.

2. Since the record and proceeding is received, this Court has decided to take up the appeal for final disposal at the stage of admission with the consent of the parties.

3. The present First Appeal is filed by the Acquiring Body, Power Grid Corporation, challenging the Judgment and Award dated 05.10.2024

passed by the learned Civil Judge, Senior Division, Ambejogai, Dist. Beed, wherein the Land Reference No.128/2007 and 129/2007 came to be partly allowed with proportionate costs. By partly allowing the LAR No. 130/2007, the learned Reference Court has awarded rate of Rs.77,000/- per R to the respondent alongwith statutory benefits. The Respondents are the original claimants who had filed land acquisition references.

4. The facts, in short, giving rise to the present appeal are that, the appellant is engaged in the business of generation of electricity. It sought to acquire a land for the purpose of establishing 400/220 k.v. sub-station at village Shepwadi Tal. Ambejogai Dist. Beed. The land acquisition proceedings, therefore, started bearing No. LAQ/SR/20/06. The Officers took possession of the land even prior to issuance of notice under Section 4 of the Act. The land was acquired by giving rate of Rs.2,300/- per R for group-I land. Rs.2,400/- per R for group-II land. Rs.2,500/- per R for group-III land and Rs.2,600/- per R for group-IV land. The mango trees were given compensation at the rate of

Rs.14,185/- and 17,791/- per tree. The claimants, after accepting the award under protest, filed the references. The learned Reference Court accepted the case of the claimants and partly allowed the references by granting rate of Rs.77,000/- per R with other benefits.

5. Mr. Sapkal, the learned Senior Advocate for the appellant, vehemently argued that the learned trial Judge has failed to appreciate the evidence in proper perspective. In many other cases arising out of same acquisition award, the rate awarded is Rs.5,000/- per R. by the trial Court, whereas, in the present case, the rate awarded is of Rs.77,000/-. The land is an agricultural land outside city limits. Enhancement is at exhorbitant rate. There is no rational in accepting the rate. The learned SLAO had rightly considered the sale instances and had granted the rate, which was not required to be interfered with. He relied upon the compilation in LAR No.130/2007 wherein the rate is granted at Rs.5,000/- per R. He submits that, the sale instances were of the land alongwith construction and the consideration in such transactions was taken into account while granting the rate. The valuer

had visited the spot on 15.12.2006, whereas, his evidence is recorded in 2012. Though this material could have been brought to the notice of the authorities at the stage of Section 9 notification; the same was brought at the stage of recording evidence in the reference. He submits that the trial Court has misdirected itself on the evidence. From the cross-examination, it is seen that the witness appears to be an interested person. The claimant's witness No.5 is a son of vendor in the sale instance which is considered by the Court. The said sale instance is after the date of issuance of notification. The Court, however, has considered the rate stated in the agreement pursuant to which the sale deed is allegedly executed. The said agreement is an unregistered document and could not have been considered in any case by the Court. The trial Court has thus committed a mistake. He relied upon Section 92 of the Evidence Act.

6. The appellant mainly relied on the judgment in the case of ***General Manager, Oil and Natural Gas Corporation Ltd. Vs. Rameshbhai Jivanbhai Patel and Anr***. [2008 (14) SCC 745]. The Court considered

that it is not proper to determine the market value of acquired land with reference to future sale transactions or acquisitions. In that case, the Reference Court relied on the sale instances of villages which were far away.

7. Learned Advocate, Mr. Bhadekar, vehemently opposed the appeal. He submits that the possession was taken without giving any hearing to the parties. He further submits that the valuation by the learned SLAO was wrongly done. The Land Acquisition Officer had found 21 sale instances wherein the valuation was shown to be much higher than what was granted by the learned Land Acquisition Officer. He relied upon the sale instance of Gut No.347/03 for land admeasuring 0.06R, which was sold for Rs.9,00,0000/- (Nine Lakh Rupees). In Gut No.171 land admeasuring 0.05 ½ was sold for Rs.31,91,000/-. This sale instance is dated 09.07.2004 i.e. much prior to the notification. Thus, the valuation considered by the Court is even lesser considering these sale instances. He submits that in paragraph No.22 of the impugned judgment, the Court has rightly considered all these aspects. He invited attention to the

sale-deed dated 17.06.2004 between Babu Namdeo Shep (owner) and Dinkar Kashinath Patil (builder), and the evidence recorded in Land Reference No.130 of 2007. He points out Exhibit-48 and 49 from the record and proceedings. Learned Advocate relied upon Section 49 of the Stamp Act. He relied upon the judgment in the case of ***State of Maharashtra Vs. Hitesh Deoraj Gosar and Ors. [2021 (3) Mh.L.J. 748],*** to show that even unregistered document can be considered while determining valuation of the land.

8. On hearing the parties and going through records following points arise for consideration.

a) Whether the trial court has rightly determined the compensation ?

b) Whether an impugned judgment and award need to be set aside or modified ?

9. This Court has considered the evidence and the documents. The main document considered by the trial Court is the agreement of sale dated 17.06.2004, as the said land was purchased for the purpose of development and sale deed was registered on 03.01.2007. From the record, it is seen that the sale-deed was executed for total consideration

of Rs.45,00,000/-. It is criticized by the learned Advocate for the appellant that this agreement is unregistered, executed on 17.06.2004 wherein the consideration is shown as Rs.45,00,000/-. It is submitted that in the other cases, the Court has rightly held that the costs of Rs.45,00,000/- was for the land alongwith the construction and not without construction. In the other cases, therefore, the Court has rightly granted rate of Rs.5,000/- per R.

10. This Court has to consider the agreement dated 17.06.2004. From the recital, it is seen that the recital and the clauses of the said agreement shows that the land is purchased for making construction over 1 Acre land. The developer had purchased the land for the purpose of development and thus the cost was necessarily towards the land. Whereas, in the sale deed executed later, there is a recital showing that the land is sold alongwith construction. The Court in that case, had taken the costs of the land only Rs.5,000/- per R and Rs.40,000/- towards construction. However, in the agreement itself, the land is shown to be without construction. The question is as to whether the

unregistered document could have been considered by the Court. This Court finds that reliance is placed on the judgment in the case of ***State of Maharashtra Vs. Hitesh Deoraj Gosar and Ors.*** (supra). It was also a case of land acquisition reference. The land was not converted to non-agricultural use, and in that view, the deduction of 65% was made by the Court. This Court specifically considered that the land was purchased with a view to develop the same and to earn profit. In that case, the Reference Court did not give any importance to the agreement as it was not registered.

11. This Court in paragraph No.14 of the said judgment, clearly held that merely because the agreements in question were unregistered that would not be a factor to disregard the piece of evidence in its entirety. It was also held that registration of agreement is not mandatory, as held in the case of ***S. Kaladevi [2010(3) All MR 477 (SC)].*** This Court thus held that even unregistered document/agreement can be considered and the same was rightly considered by the trial Court.

12. Another judgment relied upon by the respondent is in the case of ***Ram Kishan since died through LRs. Vs. State of Haryana and ors. Reported in [2025 DGLS (SC) 504].*** It was considered that the land was surrounded by multinational companies. The lands were adjacent to HSIDC, Dharuhera. In the present case also, it is shown that though the land is on the outskirts of Ambejogai; however, those are in the vicinity of Ambejogai city, where development activities had already started. Even the sale instance which was considered, the land was sold for the purpose of development. As a matter of fact, it is also seen that by the time sale deed was executed, there was already a construction made by the developer.

13. In the case of ***Bhagwathula Samanna Vs. Special Tahsildar and Land Acquisition Officer, Visakhapatanam reported in [AIR 1992 SC 2298].*** In paragraph No.13, it is held that the large areas of land cannot always fetch the same rate like small plots; however, this is not an absolute proposition. Reference is also made to ***Shriram Pandurang Dange Vs. State of Maharashtra and Anr. [2026 (1) Bombay CR 444].***

14. This Court held that when comparable sale instances are presented, the higher rate should be preferred as held in ***Chimanlal Hargovinddas Vs. Special Land Acquisition Officer, Poona [1988 Bom.L.R. (90) 282]***.

15. In the present case, it is rightly shown that though the sale-deed is executed later on, the agreement to sale is prior to notification and therefore can be relied upon. The question posed is whether unregistered document can be considered for the purpose of deciding valuation. In view of the judgment in the case of ***State of Maharashtra Vs. Hitesh Deoraj Gosar and Ors.*** (supra), it is clearly answered that such document can be considered for the purpose of deciding valuation.

16. The Court further considered that it is not propor to determine market value with reference to future sale instances when transactions prior to notification are not available. In the present case, this Court finds that the sale-deed is executed after the notification; however, the agreement was executed prior to the notification and the sale was

pursuant to that the agreement. The only question was as to whether the unregistered agreement could have been considered. In view of judgment in the case of Kaladevi, this court holds that certainly there is wrong in placing reliance on this judgment.

17. In the judgment impugned in this appeal, this Court finds that the learned trial Judge has rightly considered the judgment in the case of ***Chimanlal Hargovinddas*** (supra). It has also come in the discussion and in the evidence that in the city of Ambejogai, there were facilities like medical college, hospital, Engineering College, Educational institutions and RTO office and the biggest rural hospital in the area is also situated there. There is a District and Sessions Court. It is further rightly observed that in village Shepwadi, already there are constructions and the land is sold on per sq. ft. basis. The valuer's report who is examined as witness No.2 is rightly considered, wherein he had submitted that the rate at which lands are sold is around 2880 per sq. ft. The land was already converted into non-agricultural land which is also a factor that is considered while awarding compensation. Once the land is converted into non-agricultural land, it is natural to assess the rate as per sq.ft.

basis. It is also rightly observed that though there were sale instances showing higher price, still learned SLAO has considered sale instances where lower rate was given. It is further considered that other sale-deeds i.e. sale-deed date 07.09.2007 wherein the land was sold @ of Rs.4,30,155/- per R. Sale-deed at exh.48 showing the rate of Rs.1,50,000/- per R as pointed out by the learned Advocate for the respondent. The sale-deed at Exh.49 is also from the same village Shepwadi wherein the land admeasuring 41R land is sold for Rs.45,00,000/-.

18. This Court thus finds that the trial court has rightly relied upon the sale instances based upon the agreement which was not registered. So far as trees compensation is concerned, there is no change made by the reference Court and there is also no challenge by the claimants to that extent. The claimants have accepted the trees compensation.

19. Coming to the question of determining the valuation, this court finds that though the trial court has rightly relied up the sale instance, the agreement-to-sale rate is granted of rs. 77,000/- per R. It needs to be

kept in mind that the said land is considered to be N. A. land and there are already constructions made in and around the vicinity. The land under sale instance was also purchased for the purpose of development. The permission also required to be obtained for sanctioning of layout plan. Some land is required to be left open for road, open spaces etc. This Court finds that 25% of the land needs to be excluded; in other words, the valuation to that extent needs to be deducted while calculating the amount of compensation. In the present case, the compensation is awarded at Rs. 77,000/- per R.. The said needs to be deducted by 25%. This court thus holds that the proper valuation should be Rs.57,750/- per R. The award needs to be modified by deducting 25% amount from the rate awarded by the learned trial Court. This Court concludes that the proper valuation would be Rs.57,750/- per R..

20. From the discussion above, this court finds that award needs to be modified accordingly. The first appeal therefore stands partly allowed. The decree be drawn up accordingly.

21. If the amount as per enhanced compensation is deposited in the office of this Court, the claimants are at liberty to withdrawn the amount at the rate of Rs.57,750/- per R. alongwith accrued interest to that extent. Remaining amount if any be refunded to the appellant with accrued interest. If the amount is not deposited in the office of this Court, the Orig. Respondent/Appellant to pay the amount as per above calculation within six (6) months from today.

22. With this, first appeal stands disposed off.

23. In view of disposal of first appeal, pending civil applications, if any, do not survive and same also stand disposed off.

[SUSHIL M. GHODESWAR, J.] **[KISHORE C. SANT, J.]**

D.A.ETHAPE [P.A.]