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IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO(s). 3777-3785 OF 2014
(Arising out of SLP(c) No(s). 11350-11358 of 2012)

SAVITRI DEVI (D) THR. LRS. & ETC. Appellant(s)

VERSUS

STATE OF BIHAR & ANR. Respondent(s)

O R D E R

1. Leave granted.

2. These appeals have been preferred against the judgment and order dated 21st September, 2011 passed by the High Court of Judicature at Patna in First Appeal Nos. 191 of 2000, 192 of 2000, 193 of 2000, 194 of 2000, 234 of 2000, 235 of 2000, 236 of 2000, 237 of 2000 and 422 of 2000 by which, while dealing with the appeals under Section 54 of the Land Acquisition Act, 1894 (hereinafter referred to as the Act), the valuation of the Mango trees has been assessed at a very less rate.

3. The land in question was notified under Section 4 of the Act on 7.2.1990. It contained the land for 158 well-developed mango and other trees. The cases relate to the valuation of the trees. We are not concerned with the value of land acquired. The trees were assessed @ Rs. 600 per mango tree and compensation was awarded accordingly. The other trees were assessed at a cheaper rate, for example, the Sagwan and Jamun tree were assessed @ Rs. 100 per tree and other small trees were assessed @ Rs. 50 per tree.

4. Aggrieved, the appellants preferred reference under Section 18 of the Act and vide reference award dated 2nd March, 2000, the mango trees were assessed @ Rs. 1190/- and Rs. 1000/- per Sagwan and other trees.

5. Aggrieved, both sides filed the appeals before the High Court. While rejecting the appeal of the appellants, the High Court has allowed the appeals filed by the respondents and modified the assessment value of the mango trees @ Rs. 900 per tree with all other benefits.

6. We have heard Shri Nagendra Rai, learned senior counsel for the appellants and Shri Mohan Parasaran, learned Solicitor General, appearing on behalf of the respondents, and gone through the impugned judgment of the High Court as well as of the Reference Court. There is sufficient evidence on record that the land had to be assessed considering its potential yield and the land contained mango orchards and as the respondents themselves had considered it to be very expensive land, they had earlier opined not to acquire the land being very expensive. The State of Bihar had issued certain guidelines as far back as in 1955 and the relevant part of same reads as under:

2. In case of acquisition of land, on the whole of which there are regular orchards of mangoes, guavas etc. the average annual letting value of the orchards would be a fair basis calculation of compensation. The number of years purchase to be taken in capitalising the letting off should be fixed subject to on a consideration of the number of years during which the trees expected to bear fruit, the vicissitudes of season, the liability to destruction and the uncertainty of the income. To the amount thus determined, should be added the value of timber of the trees.

7. The Reference Court considered the entire matter in great detail while appreciating the evidence on record and relied upon two reports submitted by Dr. Ram Kumar, University Professor and Chief Scientist (Fruits) i.e. Exhibit E and by Shri M.K. Rahman, Deputy Director of Agriculture (Horticulture) i.e. Exhibit E/a and held as under:

13. The report by Dr. Ram Kumar, vide Exhibit-E against the average of per mango tree at Rs. 1050/- for next 50 years, whereas the report of Sri M. K. Rahman, vide Exhibit-E/a is Rs. 1400/- to Rs. 1600/- (in off and on years for 35 to 40 years) stands also considered. The average of this report comes to Rs. 1500/- per tree per year for 35 to 40 years. Hence for true and just findings, it shall be proper and just to make the average of these two reports of Rs. 1050/- and Rs. 1500/-, which comes to Rs. 1275/- per tree for just conclusion. Further, Rs. 85/- stands to be reduced as risk factor on the high valuation of the second report, vide Exhibit-E/a and hence on deduction Rs. 85/- from Rs. 1275/- comes to Rs. 1190/- and hence it is proper and just that Rs. 1190/- per tree is granted to the petitioner. Both the reports stand considered on the fruit bearing capacity of the trees and hence the valuation of Rs. 1190/- be granted for

another 20 years only. As regards, other trees, the petitioner has claimed Rs. 4000/ - for Sagwan, where he is hereby granted Rs. 1000/only. On other trees-as there is no report from the experts, if it is granted at Rs. 1000/ - per tree for palm trees.

14. Hence, in the reference cases, award of Collector stands modified to the above extent. They further are entitled to compensation at Rs. 12% per annum from the market value from the date of notification to the date of award. They are also further entitled to solatium at the rate of 30% per annum on such market value. They are further entitled to interest at Rs. 9% per annum on the excess amount from the date of possession to the date of payment.

The High Court has committed an error and modified the Reference Award, without there being any sufficient cause, by a cryptic order and directed itself to reduce the compensation.

8. We accept the suggestion made by learned Solicitor General and direct that the valuation of the mango tree be assessed @ Rs. 1200 per tree. Land Acquisition Collector is directed to recalculate the amount of compensation as awarded in these appeals and the amount shall be paid to the appellants with all statutory benefits within the period of three months from the date of production of the order before the Land Acquisition Collector.

9. In the facts and circumstances of the case, we set aside the impugned judgment of the High Court and restore the Reference Award without enhancing further. With these observations, the appeals stand disposed of. No order as to costs.

.....J.
(Dr. B.S. CHAUHAN)

.....J.
(J. CHELAMESWAR)

NEW DELHI
MARCH 10, 2014.

ITEM NO.41

Court No.4

SECTION XVI

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (Civil) No(s).11350-11358/2012

(From the judgement and order dated 21/09/2011 in FA No.191/2000,FA No.192/2000,FA No.193/2000,FA No.194/2000,FA No.234/2000,FA No.235/2000,FA No.236/2000,FA No.237/2000,FA No.422/2000 of The HIGH COURT OF PATNA)

SAVITRI DEVI (D) THR. LRS. & ETC.

Petitioner(s)

VERSUS

STATE OF BIHAR & ANR.

Respondent(s)

(With office report)

Date: 10/03/2014 These Petitions were called on for hearing today.

CORAM :

HON'BLE DR. JUSTICE B.S. CHAUHAN
HON'BLE MR. JUSTICE J. CHELAMESWAR

For Petitioner(s)Mr. Nagendra Rai, Sr. Adv.
Mr. Smarhar Singh, Adv.
Mr. Shantanu Sagar, Adv.
Mr. Gopi Raman, Adv.
Ms. Prerna Singh, Adv.
Mr. Aakash Kumar, Adv.
for Mr. T. Mahipal,Adv.

For Respondent(s)Mr. Mohan Parasaran, SG
Mr. S.K. Dhingra,Adv.
Ms. Shefali Mitra, Adv.

Mr. Gopal Singh ,Adv
Ms. Prerna Singh, Adv.

UPON hearing counsel the Court made the following
O R D E R

Leave granted.

The appeals stand disposed of in terms of the signed order. No order as to costs.

(DEEPAK MANSUKHANI)
(M.S. NEGI)
Court Master
Assistant Registrar
(Signed order is placed on the file)