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IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION  
CIVIL APPEAL Nos.2697-2699 OF 2011  
(arising out of SLP (C) Nos. 24252-24254 of 2009)

SAHEB PATEL ETC

.....APPELLANTS

VERSUS

CHIEF ENGINEER & ORS

.....RESPONDENTS

O R D E R

Leave granted.

The only question which arises for consideration in these appeals is whether the High Court was justified in refusing to award just and fair compensation to the appellants on the ground that they had restricted their claim to a particular amount.

The appellants owned different parcels of land in Survey No. 109/1, situated in Village Belkota, Taluk and District Gulbarga. The same were acquired by the State Government in furtherance of the proceedings initiated vide notification dated 31.07.1977 issued under Section 4(1) of the Land Acquisition Act (for short "the Act"). By an award dated 05.05.2000 the Special Land Acquisition Officer fixed market value of the acquired land at Rs. 17,000/- per acre. On reference made by the Collector under Section 18 of the Act, Principal Civil Judge, (Senior Division) (hereinafter described as "the Reference Court"), after considering the pleadings and evidence produced by the parties, fixed market value of the acquired land at the rate of Rs. 53,550/- per acre.

The appellants challenged the determination of market value by the Reference Court in Misc. First Appeal Nos. 5351 of 2007, 5354 of 2007 and 5355 of 2007. The learned Single Judge of the High Court agreed with the appellants that market value of the acquired land should be Rs. 1,08,000/- per acre but declined to make an award on that basis by observing that they had restricted their claim of compensation for different amounts ranging from

Rs.63,000/- and Rs. 85,000/- per acre.

Shri Basava Prabhu S. Patil, learned senior counsel for the appellants relied upon the judgments of this Court in Bhag Singh v. UT of Chandigarh (1985) 3 SCC 737 and Chandrashekhar v. Special Land Acquisition Officer (2009) 14 SCC 441 and argued that the impugned judgment is liable to be set aside to the extent of denial of due compensation to the appellants. Learned senior counsel submitted that once the High Court came to the conclusion that market value of the acquired land is Rs.1,08,000/-, then it should have accordingly directed payment of compensation by requiring the appellants to pay the deficit Court fee.

Learned counsel for the respondents fairly stated that in view of the judgment of this Court in Chandrashekhar v. Special Land Acquisition Officer (supra), the appellants can be given time to pay the deficit Court fee as a condition for payment of higher compensation.

We have considered the submissions of the learned counsel and carefully perused the record.

In Chandrashekhar v. Special Land Acquisition Officer (supra), the two Judge Bench referred to the judgments in Bhag Singh v. UT of Chandigarh (supra), Bhimasha v. Land Acquisition Officer (2009) 10 SCC 797, Scheduled Caste Coop. Land Owning Society Ltd. v. Union of India (1991) 1 SCC 174, Buta Singh v. Union of India (1995) 5 SCC 283) and held that the High Court should not deprive the land owners of their rightful claim on the technical ground of want of requisite court fee and an opportunity should be afforded to them to pay the deficit court fee. The

Court noted that in Bhag Singh's case, the earlier judgment in Scheduled Caste Coop. Land Owning Society Ltd. v. Union of India was distinguished and observed :

"19. This Court, in Scheduled Caste Coop., had one apprehension in mind, a justified one, that entertainment of such a claim at such a belated stage would have opened up floodgates for similar applications in innumerable cases which might have become final. This was justified in view of the fact that the appellants in that case had not kept their matter alive unlike in the present case or in Bhag Singh. The same is reflected in the following words of the Court: (Scheduled Caste Coop. Case SCC pp.180-81,

para 6)

"6. ... The petitioners herein were satisfied with the amount of Rs 4,00,000 and did not apply to pay the deficit court fee soon after the judgment of the learned Single Judge was rendered in 1981 but did so after a lapse of almost six years in 1987. The Full Bench of the High Court, therefore, rightly held that to permit payment of deficit court fee for recovering enhanced compensation after a lapse of almost six years under its inherent jurisdiction would encourage the practice of not paying the court fee in the hope that as and when the valuation is determined in appeal the jurisdiction of the court can be invoked under Section 151 of the Code and the benefit of enhanced compensation can be reaped by making good the deficit court fee."

In view of the difference in material backgrounds of the present case or Bhag Singh and Scheduled Caste Coop., we are of the opinion that the apprehension mentioned above can not be an issue in the present case.

20. From the observations as quoted hereinafter, we conclude that the decision of the Constitution Bench in Buta Singh has not reversed the decision in Bhag Singh and the law laid down in Scheduled Caste Coop. is materially different from the law established by this Court in Bhag Singh since both the decisions dealt with different matters and moreover the Scheduled Caste Coop. decision has in fact recognised the validity of the law laid down in Bhag Singh.

21. Therefore, we are of the opinion that following the judgment of Bhag Singh in the present case shall not be in conflict with the opinion of the Constitution Bench decision in Buta Singh. Thus, in our opinion, it is settled that the High Court should not have deprived the appellants of their rightful claim on the technical ground of want of requisite court fees and an opportunity should have been afforded to them for payment of the deficit court fee."

In our view, the ratio of the judgment in Chandrashekhar v. Special Land Acquisition Officer is clearly attracted in the present case and as such, the appellants are entitled to receive compensation at the rate of Rs. 1,08,000/- per acre subject to the condition of payment of deficit court fee.

In the result, the appeals are allowed, the impugned judgment is modified and it is declared that the appellants are entitled to compensation at the rate of Rs. 1,08,000/- with all statutory benefits subject to the payment of deficit court fee.

The appellants are allowed two months' time to pay the deficit court fee. Within next two months, the respondents shall pay the balance amount of compensation along with other statutory benefits to the respondents by way of demand drafts, which shall

be deposited in the respective accounts of the appellants. The  
respondents shall file compliance report in the Registry of this  
Court by the last week of September, 2011.

.....J.  
(G.S. SINGHVI)

.....J.  
(ASOK KUMAR GANGULY)

New Delhi  
MARCH 28, 2011  
ITEM NO.56

COURT NO.11

SECTION IVA

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).24252-  
24254/2009

(From the judgement and order dated 16/04/2009 in MFA No.  
5351/2007 & MFA No. 5354/2007 & MFA No. 5355/2007 of The HIGH  
COURT OF KARNATAKA AT BANGALORE)

SAHEB PATEL ETC.

Petitioner(s)

VERSUS

CHIEF ENGINEER & ORS.

Respondent(s)

(With office report)

Date: 28/03/2011 These Petitions were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE G.S. SINGHVI  
HON'BLE MR. JUSTICE ASOK KUMAR GANGULY

For Petitioner(s) Mr.Basava Prabhu S.Patil, Sr.Adv.  
Mr.Ajay Kumar M., Adv.  
Mr. R.D. Upadhyay,Adv.

For Respondent(s) Ms.Hetu Arora, Adv.  
Mr. Naveen R. Nath,Adv.

Ms.Anitha Shenoy, Adv.

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

Leave granted.

The appeals are allowed, the impugned judgment is modified and  
it is declared that the appellants are entitled to compensation at  
the rate of Rs. 1,08,000/- with all statutory benefits subject to  
the payment of deficit court fee.

The appellants are allowed two months' time to pay the  
deficit court fee. Within next two months, the respondents shall

pay the balance amount of compensation along with other statutory benefits to the respondents by way of demand drafts, which shall be deposited in the respective accounts of the appellants. The respondents shall file compliance report in the Registry of this Court by the last week of September, 2011.

( Satish K.Yadav )  
Court Master

( Phoolan Wati Arora )  
Court Master

( Signed order is placed on the file )