

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NOS.10336-10377 OF 2013

PARASA SEETHA RAMA RAO . . APPELLANT (S)

VERSUS

SINGARENI COLLIERIES COMPANY
LIMITED & ANR. . . RESPONDENT (S)

O R D E R

1. These appeals are directed against the judgment and order passed by the High Court of Andhra Pradesh in L.A.A.S Nos.221, 223, 439, 225, 227, 228, 230, 232, 250, 251, 252, 253, 254, 255, 256, 257, 258, 262, 263, 264 and 275 of 2010 along with Cross Objections Nos.10276, 10269, 11025, 10275, 10273, 10274, 10281, 10272, 10271, 10277, 10270, 10294, 10286, 10295, 10282, 10268, 10284, 10285, 10278, 10267 and 10283 of 2010, dated 20.01.2011, whereby and whereunder,

the High Court allowed the said appeals filed by the respondents-herein.

2. The facts in brief are: The respondent-State had issued Notification dated 11.03.1988 under Section 4 of the Land Acquisition Act, 1894 (for short "the Act") to acquire land to an extent of AC. 164-04 $\frac{1}{2}$ guntas situated at Sy. No. 548/98 part and 548/139 part of Usirikapalapalle village for the purpose of depillaring operation at JK - I and II inclines.

3. The Land Acquisition Collector (for short, "the LAC"), determined the market value of the land at Rs.4000/- per acre for dry land and Rs.5000/- for rain fed lands by an award dated 25.04.1991.

4. The claimants, not being satisfied with the compensation so awarded by the LAC, approached the LAC and sought for a reference

under Section 18 of the Act to the Civil Court for determination of the actual market value of the land acquired by the State Government. The LAC rejected the application for reference initially by order dated 16.12.1996 and 29.01.1997 on the ground that they were filed beyond the period of limitation. The claimant filed writ petition before the High Court seeking direction to the LAC to refer the matter to the Civil Court, the High Court allowed the said writ petition by order its dated 27.01.2005. The LAC then referred the case of the claimants to the Reference Court. The counsel for the appellant submitted before the Reference Court that since he is a non tribal and he cannot purchase any land in Usirikayalapalli village, which is an agency area, he is entitled for payment of compensation on the basis of the market value prevailing in the nearest non agency area. The State contended

that the LAC has arrived on the market value after consideration of relevant sale deeds. The Reference Court after considering the aforesaid submissions had framed the issue with respect to determination of market value of the acquired land at the time of acquisition. The Reference Court observed that both sides did not produce any evidence which can be relied upon in order to enable the Reference Court to fix the market value on the basis of capitalization method since the sale deeds relating to the sale of lands of Usirikayalapalli village do not reflect correct market value as there is prohibition of transfer of such lands by way of sale between tribal and non-tribal. The Reference Court deemed it necessary to take into consideration the market value of the surrounding non-agency areas for the purpose of determining the market value of the acquired lands. The Reference Court considered the value of the lands of

Bajumallaigudem village which was fixed at Rs.20,000/- per acre in respect of the lands acquired in the year 1986. The Reference Court in light of the same arrived at the market value of the acquired lands at Rs.25000/- per acre. The Reference Court by its order dated 22.12.2009 fixed the market value as Rs.25,000/- per acre, together with additional market value at 12 percent per annum on the enhanced compensation from the date of the notification i.e. 11.03.1988 to the date of award i.e., 25-04-1991 and 30 percent solatium in the market value and interest at 9 percent per annum, for one year from the date of taking possession and at 15 percent per annum, thereafter, till the date of payment on the enhanced amount.

5. Dissatisfied with the order so passed by the Reference Court, the respondents herein preferred an appeal before the High Court. The

High Court placed reliance on Ex.B.10 *i.e.* the common decree in LAOP Nos.87/98, 88/98 and 89/98, dated 27.06.2005 wherein the Reference Court had fixed the market value of the lands situated in Usirikayalapalle village at Rs.8000/- per acre. In view of the same, the High Court modified the order of the Reference Court and fixed the market value of the acquired lands in the present case at Rs.12,500/- per acre along with all statutory benefits.

6. Aggrieved by the judgment so passed by the High Court, the appellants are before us in these appeals.

7. We have heard the learned counsel for the parties to the *lis* and carefully perused the records of the case. In our considered opinion, the High Court has committed an error in ascertaining the market value of the land. In

the result, the appeals are allowed and the judgment and order passed by the High Court is set aside and the order passed by the reference court is restored. The Civil Appeals are disposed of accordingly.

Ordered accordingly.

.....CJI.
(H.L. DATTA)

.....J.
(SUDHANSU JYOTI MUKHOPADHAYA)

.....J.
(ARUN MISHRA)

NEW DELHI,
MARCH 11, 2015.

ITEM NO.9

COURT NO.1

SECTION XIIA

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Civil Appeal No(s). 10336-10377/2013

PARASA SEETHA RAMA RAO

Appellant(s)

VERSUS

SINGARENI COLLIERIES CO.LTD.& ANR

Respondent(s)

(With office report)

Date: 11/03/2015 These appeals were called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE

HON'BLE MR. JUSTICE SUDHANSU JYOTI MUKHOPADHAYA

HON'BLE MR. JUSTICE ARUN MISHRA

For Appellant(s)

Mr. M. Srinivas R. Rao, Adv.

Mr. Arun Devdas, Adv.

For Mrs. Sudha Gupta, Adv.

For Respondent(s)

Mr. A. Mariarputham, Sr. Adv.

Mr. Anurag Mathur, Adv.

Mr. Usuf Khan, Adv.

Mr. P. Parmeswaran, Adv.

Mr. S. Udaya Kumar Sagar, Adv.

Mr. Krishna Kumar Singh, Adv.

For M/s. Venkat Palwai Law Associates

Ms. C. K. Sucharita, Adv.

UPON hearing the counsel the Court made the following

O R D E R

The civil appeals are disposed of in
terms of the signed order.

(Neetu Khajuria)

Sr.P.A.

(Signed order is placed on the file.)

(Vinod Kulvi)

Assistant Registrar