

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION

Civil Appeal Nos.7311-7312/2013

R. JAYAPAL

Appellant(s)

VERSUS

SPECIAL TAHSILDAR (LAND ACN) HOUSING SCHEME AND ANR. Respondent(s)

WITH

C.A. Nos.7318-7319/2013, C.A. No. 7313/2013, C.A. Nos. 7316-7317/2013 & C.A. Nos.7314-7315/2013

O R D E R

1. The State of Tamil Nadu decided to acquire about 35 acres of land situated within the municipal limits of Villipuram District. The land was near the Railway Residential Quarters, Railway Station Villupuram, and Pondy Main Road as well as near the Govt. Arts College. The above-stated proposed acquisition also included small parcels of land owned by the appellants in these five appeals.

2. The notifications under Section 4 of the Land Acquisition Act, 1894 were issued on 13-06-1991, 05-09-1991, 18-09-1991, 30-10-1991 and 03-01-1992. Final awards were also passed on different dates i.e. on 09-06-1994, 22-08-1994, 30-12-1994 and 04-01-1995. The Land Acquisition Collector granted compensation @ Rs.11/- per sq. ft. but deducted Rs.3.65 towards development charges and the compensation was, thus, fixed at Rs.7.35 per sq. ft.

3. In the reference under Section 18 of the Act, the Reference Court enhanced the compensation @ Rs. 25.75 per sq. ft. but applied

a cut of 53% towards development charges and, hence reduced the market value at Rs.12.10 per sq ft.

4. The dissatisfied appellants approached the High Court through first appeals which have been partly allowed vide impugned Judgment dated 23-12-2009 and while rate of market value was retained at Rs.25.75 per sq. ft., the High Court has reduced the development charges from 53% to 33 1/3 % and has thus finally granted compensation to the appellants @ Rs.17 per sq. ft.

5. Still dissatisfied the appellants are before this Court.

6. The record reveals that notice was issued on 16-07-2010 limited on the point of 33% deduction towards development charges.

7. We have heard learned counsel for the parties and gone through the material placed on record.

8. There is no quarrel on the issue that the acquired land falls within the municipal limits and is surrounded by Railway Residential Colony, Government College, Railway Station and is also abutting the National Highway.

9. The High Court has in this regard held as follows:-

"Having considered the submission on either side and perused the materials on record, it is seen that vast extent of land measuring about 35 acres was acquired for the purpose of implementing the neighbourhood Scheme of the Tamil Nadu Housing Board. The lands are situated in the peripheral area of Villupuram town and the reference Court has observed that the lands are close to National Highway, Government College, Railway Station, Railway Colony and therefore the potentiality of the land is good and would subserve the object of the acquisition. Before the reference Court three documents were exhibited on the side of the claimant and the reference Court accepted the value giving in the sale deed dated 28.2.1990, marked as Ex.P-2. It is seen that the property which was subject matter of the sale deed, Ex.P-2, was to an extent of 2 ½ and the market value was arrived at based on the apparent, sale consideration reflected in the document which was

Rs.19,000/- and the value per sq. ft. works out to Rs.25.75 ps. The reference Court accepted the said value and ordered for enhanced compensation."

10. As regards to the deduction towards development charges, this Court in a catena of decisions has held that no uniform yardstick can be applied and it would depend upon various factors like location of land, the public purpose of acquisition, potentiality and utility of the acquired land and that the development charges can vary from 10% to 70%.

11. These principles were summed up by us in a recent Order in "Uttamrao (Dead) vs. the State of Maharashtra & Others" (Civil Appeal No.9362 of 2011), Para 8 whereof is as follows:-

"It is well settled in a catena of decisions by this Court that depending upon the area of the acquired land, its location, public purpose of acquisition and the condition of the land at the spot etc., a suitable deduction ranging from 10% to 70% of the market value can be imposed towards development charges. There cannot be, in this regard, a uniform yardstick and the value of deduction will depend upon the fact situation of each case. Applying this analogy, we find that the acquired land had already been converted into non-agricultural land as the appellant had been accorded permission to develop it as a residential colony."

12. Keeping these principles in mind, we find that the land of the appellants can be utilized for the public purpose of its acquisition in its entirety without any wastage.

13. Since the surrounding areas of the land are already fully developed, it is difficult to say that the respondent - authorities are required to incur any additional expenditure for the development of the land.

14. Since the acquired land is an integral part of the developed area, we are satisfied in the peculiar facts and circumstances of this case that not more than 10% of the market value is required to be deducted towards development charges.

15. For the reasons afore-stated, the appeals are allowed in part; the impugned Judgment dated 23-12-2009 of the High Court is modified and it is held that after deducting 10% towards development charges, the appellants are entitled to compensation @ 23 per sq. ft.

16. Ordered accordingly.

17. The appellants are also held entitled to other statutory benefits including solatium, additional compensation and interest in accordance with the provisions of the 1894 Act.

18. The enhanced amount of compensation shall be deposited by the respondent authorities within a period of 90 days from today and the same shall be disbursed to the appellants forthwith.

.....J  
(SURYA KANT)

.....J  
(ARAVIND KUMAR)

NEW DELHI  
1<sup>st</sup> MARCH, 2023.

ITEM NO.101

COURT NO.9

SECTION XII

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 SCivil Appeal Nos.7311-7312/2013

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C.A. No. 7316-7317/2013 (XII)

C.A. No. 7314-7315/2013 (XII)

Date : 01-03-2023 These appeals were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE SURYA KANT

HON'BLE MR. JUSTICE ARAVIND KUMAR

For Appellant(s)

Ms. C. K. Sucharita, AOR

For Respondent(s)

Mr. D.Kumanan, AOR

Mr. B. Balaji, AOR

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

The appeals are partly allowed, in terms of the signed order.

(VISHAL ANAND)  
ASTT. REGISTRAR-cum-PS(PREETHI T.C.)  
COURT MASTER (NSH)

(Signed Order is placed on the file)