

The All India Tea And Trading Co. Ltd. vs The Collector Of Darrang And Anr. on 24 September, 1970

Equivalent citations: AIR1971SC1253, (1971)3SCC820, 1971(III)UJ13(SC), AIR 1971 SUPREME COURT 1253

Author: A.N. Grover

Bench: A.N. Grover, J.C. Shah

JUDGMENT

A.N. Grover, J.

1. These two cross appeals have been brought by certificate from a judgment of the Assam & Nagaland High Court in the matter of compensation awarded in respect of certain land which had been acquired under the Land Acquisition Act 1894, hereinafter called the 'Act'. By means of a notification dated March 11, 1955 issued Under Section 4 of the Act the Collector of Darrang sought to acquire an area of land measuring 7 Bighas, 10 Lachas in village Singrimari, Mouza Kalaigaon, Sub-Division Mangaladai along with an area of 19 Bighas, 1 Katha and 4 Lachas which gave rise to the other two appeals i.e. Civil appeals Nos. 1781 and 1979/66 The compensation was awarded at the rate of Rs. 300/- per Bigha as in the other appeals. On a reference to the civil Court the award was confirmed. The High Court awarded compensation for the Hat land at the rate of Rs. 11,700/- per Bigha. The Collector of Darrang as well as the claimant company have filed these appeals to this Court.

2. We have been shown the plan from which the situation of the land which was acquired could be determined. The land which has an area of 7 Bighas and 10 Lachas is admittedly market land and was being leased out at. the rate of Rs. 4375/- in 1953-54 and Rs. 5250/- in 1954-55. The High Court took into consideration mainly exhibits I and II. Exhibit I was a sale deed dated May 25, 1954 by which land measuring 1 Katha and 8 Lachas was sold for Rs. 2600/-. The other sale deed was executed on February 11, 1955 by which 19 1/2 Lachas were sold for Rs. 3,000/-. These were of lease hold right and were perfectly relevant for being taken into account. The High Court rightly observed that sale of free-hold land was likely to fetch more than the sale of lease-hold property. The High Court took the average of both the sale deeds and worked out the compensation on that basis.

3. It appears that the High Court did not take into consideration the evidence relating to the gradual rise in prices in the area with which we are concerned since 1950. According to Keramat AH, witness No. 1, since 1950 local people as well as refugees had been purchasing land near the Hat and constructing C.I. Sheet roofed and pucca houses. According to Jagat Chandra Das witness No. 3, the

land which had been acquired was about 200 yards from the Singrimari Hat and it faces the P.W.D. road. There were also shops and houses near the Hat. The price of the land in that locality had been increasing, Dinesh Chandra Dutta, witness No. 5 stated that the claimant company had made a gift of about 10 Bighas of land to a local committee for starting a school in 1949. The school had now developed into a High School. The locality had become populated and was growing rapidly Two P.W.D. roads near the place had been constructed in addition to an existing road. All this evidence showed that the land which was the subject matter of acquisition was situate in a locality which was developing and where steady increase in price was taking place. Moreover this land is very similar to the Hat land in the connected appeals i e. C.As. 1781 & 1979 of 1966 in which judgment has been delivered today and for which we have upheld an award at the rate of Rs. 15,000/- per Bigha. We are accordingly of the view that for this land also the same rate should have been awarded.

4. The appeal of the company is allowed to the extent that the compensation shall be paid at the rate of Rs. 15,000/- per Bigha and in addition 15% will be paid as compensation for compulsory acquisition. The company will also be entitled to get interest at the rate of 6% per annum on the additional amount awarded by us from the date of possession till the date of payment. The appeal of the Collector is dismissed. There will be no order as to costs in this Court in both the appeals.