

Supreme Court of India

Adusumilli Gopalakrishna vs Special Deputy Collector (Land ... on 17 April, 1980

Equivalent citations: AIR 1980 SC 1870, 1980 Supp (1) SCC 204, 1980 (12) UJ 600 SC

Author: R Pathak

Bench: R Pathak, R Sarkaria

JUDGMENT R.S. Pathak, J.

1. In this appeal by certificate, the appellant is aggrieved by the quantum of compensation awarded by the Andhra Pradesh High Court in respect of land acquired under the Land Acquisition Act.

2. The appellant is the owner of Ac-1-01 cent of land situated in R. S-No. 21/1 in Handapadu village in the Gudivada Municipality. At the instance of the General Manager, Southern Railways, Madras, the Government acquired 91 cents of the land in connection with the conversion of the existing meter-gauge to a broad-gauge track on the Gudivada Masulipatam line. The notification under Section 4(1) of the Land Acquisition Act was published on 6th July, 1961. In the proceedings for determining the compensation the appellant entered a claim at the rate of Rs. 50,000/- per acre. The Land Acquisition Officer, however, proceeded on the basis that the land was agricultural land and awarded compensation at Rs. 6,000/- per acre. Thereafter, at the instance of the appellant a reference under Section 18 of the Land Acquisition Act was made to the District Court. The reference came on before the learned Subordinate Judge, and he determined the market value of the acquired land at Rs- 46,000/- per acre. The State appealed to the High Court, and the High Court has awarded compensation at the rate of Rs. 17,000/- per acre which in respect of the 91 cents of land amounts to Rupees 14,470/-. An additional amount of Rupees 1,000/- as damages for severance of the acquired land from the parent parcel was also awarded. In addition, the appellant was held entitled to solatium at 15 per cent and interest at 4 per cent per annum from the date of dispossession. The appellant then applied for and obtained a certificate under Article 133(1) of the Constitution. And hence this appeal.

2A. It is contended for the appellant that the High Court erred in declining to consider Ex. A-5, an award of the Special Tahsildar, Gudivada, made on 24th December, 1962 in respect of 38 cents of land lying to the west of the land acquired. Compensation in respect of that piece of land was awarded at Rs. 58,080/- per acre. Reliance was also placed on the rental of a piece of land of Ac. 1-25 cents in R. S No. 14, which was leased for two timber depots for a rent of Rs. 3,600/- per annum and it was pointed out, the Land Acquisition Officer, adopting the method of capitalisation determined the market value of R.S. No. 14 at Rs. 48,000/- per acre. It is submitted that the High Court should have taken into consideration the compensation so awarded on the capitalisation method. The potential value of the land, it is said, was also a factor to be taken into consideration. On behalf of the respondents the submission is that the High Court was right in not following the capitalisation method because the sale deeds of similar parcels of land in the neighbourhood were available as exemplars for a comparative valuation.

3. We have considered the matter carefully and it seems to us fair and just, having regard to the material before us, that the compensation should be fixed at Rs. 20,000/- per acre, severance damages at Rs. 1,000/- solatium at 15 per cent and interest at 4 per cent per annum from the date of

dispossession. An assessment of the compensation payable for land acquired must take into account several factors, including the nature of the land, its present use and its capacity for a higher potential, its precise location in relation to adjoining land, the use to which neighbouring land has been put and the impact of such use on the land acquired, and so on. It seems to us, that having regard to all those factors the rate 'of compensation, which has suggested itself to us is what should be decreed.

4. Accordingly, the appeal is allowed, the judgment and decree of the High Court are modified in so far that while the damages for severance at Rs. 1.000/-solatium at 15 per cent and interest at 4 per cent per annum from the date of dispossession are maintained the compensation is awarded at Rs. 20,0007- per acre. There is no order as to costs.