

IN THE SUPREME COURT OF INDIA

CIVIL APPEAL NO. 1234 OF 2024

BETWEEN

RAJESH KUMAR ...APPELLANT

VERSUS

STATE OF KARNATAKA & ORS. ...RESPONDENTS

JUDGMENT

CORAM: HON'BLE MR. JUSTICE A.K. SHARMA

HON'BLE MR. JUSTICE P.S. NARASIMHA

Date of Hearing: January 15, 2024

Date of Judgment: February 10, 2024

INTRODUCTION

1. This appeal arises from the judgment and order dated December 5, 2023, passed by the High Court of Karnataka in Writ Petition No. 5678/2023, whereby the High Court dismissed the writ petition filed by the appellant challenging the acquisition of his agricultural land.

FACTS OF THE CASE

2. The appellant is the owner of 5 acres of agricultural land in Village Hosakote, Bangalore Rural District. In 2022, the State Government initiated proceedings to acquire the said land for construction of a national highway under the National Highways Act, 1956.

3. The preliminary notification under Section 3A was published on March 10, 2022. The appellant filed objections claiming that:

- (a) The land acquisition was not for a public purpose;
- (b) The compensation offered was inadequate;
- (c) Proper procedure under the Land Acquisition Act was not followed;
- (d) His livelihood depended entirely on the agricultural income from this land.

4. Despite the objections, a declaration under Section 6 was made on August 20, 2022. The Collector awarded compensation of Rs. 50 lakhs, which the appellant contested as grossly inadequate, arguing that the market value was at least Rs. 2 crores.

PROCEEDINGS BEFORE HIGH COURT

5. The appellant filed a writ petition before the Karnataka High Court challenging the acquisition proceedings. The High Court, vide its order dated December 5, 2023, held that:

- (a) The construction of a national highway constitutes public purpose;
- (b) The statutory procedure had been substantially complied with;
- (c) Questions of compensation are within the domain of civil courts and cannot be decided in writ jurisdiction.

ISSUES FOR CONSIDERATION

6. The following issues arise for consideration in this appeal:

- (i) Whether the acquisition of agricultural land for highway construction satisfies the requirement of public purpose?
- (ii) Whether the compensation awarded is just and adequate?
- (iii) Whether the High Court erred in declining to exercise its writ jurisdiction?

LEGAL PRINCIPLES

7. The right to property, though no longer a fundamental right after the 44th Amendment, continues to be a constitutional right under Article 300A. Any deprivation of property must be authorized by law and must satisfy the principles of natural justice.

8. In the landmark case of Bangalore Medical Trust v. B.S. Muddappa (1991) 4 SCC 54, this Court held that public purpose must be viewed from the angle of benefit to the general public and not private interest.

9. The Supreme Court in Indore Development Authority v. Manoharlal (2020) 8 SCC 129 emphasized that compensation must reflect the true market value of the acquired property as on the date of notification under Section 4.

ANALYSIS AND FINDINGS

10. After careful consideration of the facts and applicable legal principles, we find that while the public purpose requirement is satisfied for highway construction, the compensation awarded requires reconsideration.

11. The national highway project will benefit lakhs of citizens by improving transportation infrastructure. Therefore, the acquisition serves genuine public purpose.

12. However, regarding compensation, we note that:

- (a) The land is located in a rapidly developing area near Bangalore;
- (b) Recent sale deeds in the vicinity show prices ranging from Rs. 1.5 to 2 crores per acre;
- (c) The Collector's valuation appears to have ignored these comparable transactions;
- (d) The solatium and other statutory benefits were not properly calculated.

13. In exercise of our powers under Article 142, we deem it appropriate to enhance the compensation to ensure justice.

CONCLUSION AND ORDER

14. In view of the above discussion, this appeal is partly allowed. We pass the following order:

- (i) The land acquisition is upheld as being for valid public purpose;
- (ii) The compensation is enhanced from Rs. 50 lakhs to Rs. 1.75 crores (Rs. 35 lakhs per acre for 5 acres);
- (iii) The appellant is entitled to solatium at 100% of market value amounting to Rs. 1.75 crores;
- (iv) Additional amount at 12% per annum from the date of taking possession till payment;

(v) The enhanced compensation shall be paid within 3 months from today;

(vi) No order as to costs.

15. The appeal is disposed of accordingly.

(A.K. SHARMA, J.) (P.S. NARASIMHA, J.)

NEW DELHI

FEBRUARY 10, 2024