

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.447 OF 2024
(Arising out of SLP(C) No.11628/2022)

MUTHU

APPELLANT

VERSUS

LAND ACQUISITION OFFICER AND
REVENUE DIVISIONAL OFFICER & ANR.

RESPONDENTS

WITH

CIVIL APPEAL NO.452 OF 2024
(Arising out of SLP(C) No.23377/2022)

CIVIL APPEAL NO.456 OF 2024
(Arising out of SLP(C) No.23418/2022)

CIVIL APPEAL NO.475 OF 2024
(Arising out of SLP(C) No.23417/2022)

CIVIL APPEAL NO.448 OF 2024
(Arising out of SLP(C) No.23403/2022)

CIVIL APPEAL NO.449 OF 2024
(Arising out of SLP(C) No.23384/2022)

CIVIL APPEAL NO.450 OF 2024
(Arising out of SLP(C) No.23412/2022)

CIVIL APPEAL NO.451 OF 2024
(Arising out of SLP(C) No.23389/2022)

CIVIL APPEAL NO.453 OF 2024
(Arising out of SLP(C) No.21093/2022)

CIVIL APPEAL NO.454 OF 2024
(Arising out of SLP(C) No.11797/2022)

CIVIL APPEAL NO.455 OF 2024
(Arising out of SLP(C) No.23388/2022)

CIVIL APPEAL NO.457 OF 2024
(Arising out of SLP(C) No.23407/2022)

CIVIL APPEAL NO.458 OF 2024
(Arising out of SLP(C) No.23406/2022)

CIVIL APPEAL NO.459 OF 2024
(Arising out of SLP(C) No.23535/2022)

CIVIL APPEAL NO.460 OF 2024
(Arising out of SLP(C) No.23404/2022)

CIVIL APPEAL NO.461 OF 2024
(Arising out of SLP(C) No.23423/2022)

CIVIL APPEAL NO.462 OF 2024
(Arising out of SLP(C) No.23382/2022)

CIVIL APPEAL NO.463 OF 2024
(Arising out of SLP(C) No.23379/2022)

CIVIL APPEAL NO.464 OF 2024
(Arising out of SLP(C) No.23409/2022)

CIVIL APPEAL NO.465 OF 2024
(Arising out of SLP(C) No.23385/2022)

CIVIL APPEAL NO.466 OF 2024
(Arising out of SLP(C) No.23383/2022)

CIVIL APPEAL NO.468 OF 2024
(Arising out of SLP(C) No.23416/2022)

CIVIL APPEAL NO.469 OF 2024
(Arising out of SLP(C) No.23413/2022)

CIVIL APPEAL NO.470 OF 2024
(Arising out of SLP(C) No.23537/2022)

CIVIL APPEAL NO.471 OF 2024
(Arising out of SLP(C) No.23405/2022)

CIVIL APPEAL NO.472 OF 2024
(Arising out of SLP(C) No.23414/2022)

CIVIL APPEAL NO.473 OF 2024
(Arising out of SLP(C) No.23391/2022)

CIVIL APPEAL NO.476 OF 2024
(Arising out of SLP(C) No.23386/2022)

CIVIL APPEAL NO.477 OF 2024
(Arising out of SLP(C) No.23428/2022)

CIVIL APPEAL NO.478 OF 2024
(Arising out of SLP(C) No.23422/2022)

CIVIL APPEAL NO.479 OF 2024
(Arising out of SLP(C) No.3268/2023)

CIVIL APPEAL NO.480 OF 2024
(Arising out of SLP(C) No.23415/2022)

CIVIL APPEAL NO.481 OF 2024
(Arising out of SLP(C) No.23421/2022)

CIVIL APPEAL NO.483 OF 2024
(Arising out of SLP(C) No.23402/2022)

CIVIL APPEAL NO.484 OF 2024
(Arising out of SLP(C) No.23425/2022)

CIVIL APPEAL NO.485 OF 2024
(Arising out of SLP(C) No.23401/2022)

CIVIL APPEAL NO.486 OF 2024
(Arising out of SLP(C) No.23424/2022)

CIVIL APPEAL NO.487 OF 2024
(Arising out of SLP(C) No.12358/2022)

CIVIL APPEAL NO.488 OF 2024
(Arising out of SLP(C) No.23419/2022)

CIVIL APPEAL NO.490 OF 2024
(Arising out of SLP(C) No.23536/2022)

CIVIL APPEAL NO.492 OF 2024
(Arising out of SLP(C) No.23420/2022)

CIVIL APPEAL NO.493 OF 2024
(Arising out of SLP(C) No.23411/2022)

CIVIL APPEAL NO.494 OF 2024
(Arising out of SLP(C) No.23381/2022)

CIVIL APPEAL NO.495 OF 2024
(Arising out of SLP(C) No.23410/2022)

CIVIL APPEAL NO.467 OF 2024
(Arising out of SLP(C) No.23399/2022)

CIVIL APPEAL NO.474 OF 2024
(Arising out of SLP(C) No.23392/2022)

CIVIL APPEAL NO.482 OF 2024
(Arising out of SLP(C) No.23393/2022)

CIVIL APPEAL NO.489 OF 2024
(Arising out of SLP(C) No.23394/2022)

CIVIL APPEAL NO.491 OF 2024
(Arising out of SLP(C) No.23396/2022)

CIVIL APPEAL NO.496 OF 2024
(Arising out of SLP(C) No.23398/2022)

O R D E R

1. Leave granted.

2. This batch of 50 civil appeals is directed against the judgment dated 13.02.2020 passed by the High Court of Judicature at Madras, whereby the first appeals against the judgment dated 22.07.2016 of the Reference Court, Dharmapuri have been allowed in part, and the compensation for the acquired land, which the Reference Court determined at the rate ranging from Rs.30 to Rs.48 per sq. ft., has been reduced to Rs.13.77 per sq. ft.

3. The appellants are the expropriated land owners. Their land forms part of 43.160 hectares of Rytwari dry land in Somanahalli village, which was proposed to be acquired vide notification dated 30.08.2011 issued under Section 4 of the Land Acquisition Act, 1894 (in short, "the 1894 Act") for the establishment of 765/400 KV Powers sub-station at Somanahalli. The appropriate Government, thereafter, invoked the urgency clause and issued a declaration under Section 6 read with Section 17 of the 1894 Act, followed by an award dated 31.08.2012 passed by the Land Acquisition Collector granting

compensation at the rate of Rs.1.84 per sq. ft. The dissatisfied claimants filed references under Section 18 of the 1894 Act. They relied upon various sale deeds as exemplars, including sale deeds Ex.C1 to C3 dated 08.01.2010, 27.09.2010 and 11.05.2011, respectively. The Reference Court relied upon these three sale instances and determined the market value of the land for different parcels ranging between Rs. 30 to Rs. 48 per sq. ft.

4. The enhancement made by the Reference Court was assailed by the Land Acquisition Officer in the First Appeals before the High Court and, as noticed at the outset, the High Court has vide the impugned judgment reduced the compensation to Rs. 13.77 per sq. ft.

5. We have heard learned senior counsels for the appellants, the State of Tamil Nadu, as well as for the beneficiary-Power Corporation and perused the record.

6. It seems from the impugned judgment that a sale deed was referred to by the Land Acquisition Officer as being the best exemplar, the land of which statedly falls in the middle of the acquired land. It was pointed out that the said sale instance was relied upon by the Land Acquisition Collector to determine the compensation amount. The High Court, though, did not discard the sale deeds Ex.C1 to C3 produced by the appellants, but it was of the view that (i) the acquired land forms part of the hillock; (ii) it is incorrect that the adjoining lands have been developed; (iii) the Reference Court committed

an error in mentioning in the reference that the acquired land was 1/2 km. inside the village road; (iv) the Reference Court could not have relied on a small piece of land developed as a housing plot.

7. In our considered view, the reasons assigned by the High Court may not be wholly correct. It is to be kept in mind that the available exemplars are small pieces of land only, and in such situations the well-known principle of deduction towards development, etc., can be pressed into service in order to determine the fair and just market value of the acquired land. It goes without saying that the lands sold through sale deeds, Ex.C1 to C3, are of adjoining areas and are in close vicinity of the acquired land. Even the High Court has not found such instances irrelevant to evaluating the market value of the acquired land.

8. It is, however, to be noted that the sale deed, Ex.C3, was executed hardly three months before the issuance of notification under Section 4 of the 1894 Act. The possibility of depiction of exaggerated market value in such sale deeds in order to create evidence for seeking enhanced compensation cannot be ruled out. Nevertheless, sale deeds Ex.C1 and C2 are more than one year or about a year prior to the initiation of the acquisition process.

9. We see no reason why these two sale instances be not relied upon for determining the market value of the

acquired land. It may be seen that vide sale deed Ex.C1, the land was sold at the rate of Rs.32 per sq. ft. in January, 2010. Vide sale deed Ex.C2, the land was sold at the rate of Rs.39 per sq. ft. in September 2010. The notification under Section 4 of the 1894 Act in the instant case was issued in August 2011. Applying the principle of 10 to 12% annual escalation, it appears that the market value of the acquired land in August 2011 could be around Rs.40 per sq. ft.. However, as rightly noticed by the High Court, the exemplars relied upon by the claimants are of small parcels of land and, therefore, a suitable cut towards development charges deserves to be applied.

10. The contention that the acquired land is dry land or a part of hillock may not be a factor to discard the above sale instances for the reason that the land has been acquired for the establishment of a power sub-station and the nature of it being dry or wetland, may not be so relevant for determining the potentiality of the land for the public purpose of its acquisition.. Further, in such like cases, some element of guesstimation is required to be undertaken to assess the just and fair market price of the acquired land.

11. Taking into consideration all the relevant factors, it appears to us that the market value of the subject land at the relevant time could not be less than Rs. 32 per sq. ft. We, accordingly, hold that the appellants are

entitled to claim compensation at the rate of Rs.32 per sq. ft. Ordered accordingly.

12. For the reasons afore-stated, these appeals are allowed in part. The impugned judgment dated 13.02.2020 of the High Court is modified. The appellants/land owners are held entitled to compensation at a uniform rate of Rs.32 per sq. ft.

13. Such of the land owners who have not approached this Court may invoke their remedy under Section 28A of the 1894 Act in accordance with the law.

14. If the appellants/claimants have already been paid compensation pursuant to the award passed by the Reference Court or as per the interim orders passed by the High Court, at a rate higher than Rs.32 per sq. ft., they shall be liable to refund the excess amount. However, if the compensation already paid is less than what we have granted i.e. Rs.32 per sq. ft., the balance compensation amount shall be paid to them within 12 weeks. Ordered accordingly.

.....J.
(SURYA KANT)

.....J.
(K.V. VISWANATHAN)

New Delhi;
January 12, 2024

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s).11628/2022

(Arising out of impugned final judgment and order dated 13-02-2020 in AS No.430/2017 passed by the High Court Of Judicature At Madras)

MUTHU

Petitioner(s)

VERSUS

**LAND ACQUISITION OFFICER AND
REVENUE DIVISIONAL OFFICER & ANR.**

Respondent(s)

(FOR ADMISSION and IA No.91740/2022-EXEMPTION FROM FILING O.T., IA No. 91740/2022 - EXEMPTION FROM FILING O.T., IA No.144927/2022 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES)

WITH

**SLP(C) No.23377/2022 (XII)
(IA No. 167451/2022 - EXEMPTION FROM FILING O.T.)**

**SLP(C) No.23418/2022 (XII)
(IA No. 173338/2022 - EXEMPTION FROM FILING O.T.)**

**SLP(C) No.23417/2022 (XII)
(IA No. 173081/2022 - EXEMPTION FROM FILING O.T.)**

**SLP(C) No.23403/2022 (XII)
(IA No. 173181/2022 - EXEMPTION FROM FILING O.T.)**

**SLP(C) No.23384/2022 (XII)
(IA No. 173246/2022 - EXEMPTION FROM FILING O.T.)**

**SLP(C) No.23412/2022 (XII)
(IA No. 173316/2022 - EXEMPTION FROM FILING O.T.)**

**SLP(C) No.23389/2022 (XII)
(IA No. 173078/2022 - EXEMPTION FROM FILING O.T.)**

**SLP(C) No.21093/2022 (XII)
(IA No. 161919/2022 - EXEMPTION FROM FILING O.T.)**

**SLP(C) No.11797/2022 (XII)
(FOR ADMISSION)**

**SLP(C) No.23388/2022 (XII)
(IA No. 173460/2022 - EXEMPTION FROM FILING O.T.)**

SLP(C) No.23407/2022 (XII)
(IA No. 173105/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23406/2022 (XII)
(IA No. 173237/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23535/2022 (XII)
(IA No. 166463/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23404/2022 (XII)
(IA No. 173059/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23423/2022 (XII)
(IA No. 172997/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23382/2022 (XII)
(IA No. 173217/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23379/2022 (XII)
(IA No. 173041/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23409/2022 (XII)
(IA No. 173561/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23385/2022 (XII)
(IA No. 173047/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23383/2022 (XII)
(IA No. 173019/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23416/2022 (XII)
(IA No. 173328/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23413/2022 (XII)
(IA No. 173766/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23537/2022 (XII)
(IA No. 173052/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23405/2022 (XII)
(IA No. 173572/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23414/2022 (XII)
(IA No. 173093/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23391/2022 (XII)
(IA No. 173257/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23386/2022 (XII)
(IA No. 173205/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23428/2022 (XII)
(IA No. 173229/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23422/2022 (XII)
(IA No. 173345/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.3268/2023 (XII)
(IA No. 173434/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23415/2022 (XII)
(IA No. 173448/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23421/2022 (XII)
(IA No. 173517/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23402/2022 (XII)
(IA No. 173744/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23425/2022 (XII)
(IA No. 173544/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23401/2022 (XII)
(IA No. 173066/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23424/2022 (XII)
(IA No. 173455/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.12358/2022 (XII)
(FOR ADMISSION and IA No.95033/2022-EXEMPTION FROM FILING O.T.)

SLP(C) No.23419/2022 (XII)
(IA No. 173490/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23536/2022 (XII)
(IA No. 173622/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23420/2022 (XII)
(IA No. 173474/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23411/2022 (XII)
(IA No. 173199/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23381/2022 (XII)
(IA No. 173030/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23410/2022 (XII)
(IA No. 173469/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23399/2022 (XII)
(IA No. 173072/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23392/2022 (XII)
(IA No. 173752/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23393/2022 (XII)
(IA No. 173509/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23394/2022 (XII)
(IA No. 173007/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23396/2022 (XII)
(IA No. 173487/2022 - EXEMPTION FROM FILING O.T.)

SLP(C) No.23398/2022 (XII)
(IA No. 173531/2022 - EXEMPTION FROM FILING O.T.)

Date : 12-01-2024 These matters were called on for hearing today.

CORAM : HON'BLE MR. JUSTICE SURYA KANT
HON'BLE MR. JUSTICE K.V. VISWANATHAN

For Petitioner(s) Mr. V Chitambaresh, Sr. Adv.
Mr. K. V. Muthu Kumar, AOR
Mr. Sellakumar K, Adv.
Mr. Kaverivarman, Adv.
Mr. C Kaliappan, Adv.
Mr. Shiv Kumar Vats, Adv.
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Mr. Om Narayan Pandey, Adv.

For Respondent(s) Mr. K. Radhakrishnan, Sr. Adv.
Mr. D. Kumanan, AOR
Mr. Sheikh F Kalia, Adv.
Mrs. Deepa. S, Adv.

Mr. Gurukrishan Kumar, Sr. Adv.
Mr. Shikhar Srivastava, AOR
Ms. Prerna Singh, Adv.
Mr. Ashwin Kumar, Adv.

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

1. Leave granted.
2. The appeals are allowed in part in terms of the signed order.
3. All pending applications, if any, stand disposed of.

(ARJUN BISHT)
COURT MASTER (SH)

(PREETHI T.C.)
COURT MASTER (NSH)

(signed order is placed on the file)