

SUPREME COURT OF INDIA**Bench: Justices B.R. Gavai and Sandeep Mehta****Date of Decision: 7th May 2024**

CIVIL APPEAL NO. 4042 OF 2024

CIVIL APPEAL NO. 4043 OF 2024

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 4041 OF 2024

SHRIPAL & ANR. ...APPELLANT(S)**VERSUS****KARNATAKA NERAVARI NIGAM LTD. & ANR. ...RESPONDENT(S)****Legislation:**

Section 4(1) of the Land Acquisition Act, 1894 -

Subject: Appeals against the award of compensation for land acquired under the Hippargi Barrage project, with a focus on determining fair market value and statutory benefits.

Headnotes:

Land Acquisition – Enhancement of compensation – Civil Appeal for increased compensation for lands acquired for canal construction under the Hippargi Barrage project – Initial compensation awarded at Rs. 1,31,263 per acre by S.L.A.O. – Reference Court increased it to Rs. 3,00,000 per acre – Appeals and cross-objections led to fixing market value at Rs. 3,69,000 per acre, confirmed by this Court in another related case [Para 1-6].

Market Value Determination – Comparable sales method – Appellants sought compensation at Rs. 5,00,000 per acre citing a High Court order for similar lands under the same project – Supreme Court sets compensation at Rs. 4,50,000 per acre for lands acquired in 2007, considering a 5% annual escalation from the 2004-2005 market value [Para 7-13].

Equitable Relief – Compensation determined based on fairness and consistency with earlier judicial determinations for similar acquisitions – All statutory benefits, including interest and costs, awarded, except interest for delay in filing cross-objections – Specific order not to serve as a precedent [Para 14-15].

Decision: Appeals allowed in terms of enhanced compensation at Rs. 4,50,000 per acre with statutory benefits, interest, and costs, excluding interest for delay in filing cross-objections – Other connected appeals disposed of accordingly.

Referred Cases:

None mentioned explicitly, reference to earlier decisions involving similar issues under the same project.

Representing Advocates:

For Appellants: Shri Anand Sanjay M. Nuli

For Respondents: Mr. Navin R. Nath

J U D G M E N T

Mehta, J.

1. The appellants herein, who were land losers, have approached this Court by way of these appeals seeking enhancement of compensation pursuant to acquisition of their lands by the respondents for the purpose of construction of canals under the Hippargi Barrage project.
2. There is no dispute that the lands of the appellants were irrigated lands. The land acquisition notification under Section 4(1) of the Land Acquisition Act, 1894 was issued on 12th April, 2007. The Special Land

- Acquisition Officer(S.L.A.O.) awarded compensation to the tune of Rs.1,31,263/- per acre to the land owners.
3. The land owners preferred a reference and the Reference Court enhanced the compensation by fixing the market value of the land at Rs. 3,00,000/- per acre.
 4. Aggrieved by the same, the beneficiaries being respondent- Karnataka Neravari Nigam Ltd. filed M.F.A. No. 100175 of 2014 before the High Court of Karnataka, Dharwad Bench wherein, the appellant-claimants filed cross-objections seeking enhancement of compensation.
 5. In the High Court, the cross-objectors i.e. appellants herein contended that in another M.F.A. No. 23768 of 2013, the High Court had awarded compensation by fixing the market value at Rs. 3,69,000/- per acre along with statutory benefits so far as the irrigated lands are concerned.
 6. The said matter arose out of an acquisition notification of the years 2004-2005 and the order passed by the High Court has been confirmed by this Court with dismissal of Special Leave Petition(C) No. 8107 of 2016 filed by the beneficiary.
 7. Shri Anand Sanjay M. Nuli, learned senior counsel representing the appellants drew the Court's attention to an order dated 17th April, 2021 passed by the learned Single Judge of the High Court of Karnataka wherein, for the very same project, the land owners had been awarded compensation at the rate of Rs.5,00,000/- per acre in respect of lands which are covered under the notifications issued between 2004-2008. He, thus, urged that the appellants are entitled to the same relief.
 8. *Per contra*, Mr. Navin R. Nath, learned senior counsel representing the respondent-beneficiary pointed out that the High Court committed a glaring error in construing the affidavit filed by the respondents in MFA No.101083 of 2016. He urged that in the said matter, the affidavit which was filed pertained to an acquisition of 2009, wherein the Reference Court had determined compensation at the rate of Rs.5,00,000/- per acre.
 9. Having given our thoughtful consideration to the submissions advanced at bar and after going through the material available on record, we find that the respondents themselves have agreed to award the market value at the rate of Rs. 3,69,000/- per acre along with statutory benefits for the lands acquired under the notification of the years 2004-2005.

10. For the market value fixed in the years 2004-2005 at the rate of Rs.3,69,000/- per acre, an escalation of 5 per cent per year has already been applied.
11. For the lands acquired in the year 2009, the market value had been fixed by the Reference Court at Rs. 5,00,000/- per acre and above.
12. The lands of the appellants herein were acquired in the year 2007.
13. In this background, we feel that ends of justice would be met if the market value of the lands acquired from the appellants is fixed at Rs. 4,50,000/- per acre by modifying the order dated 2nd February, 2018 passed by the High Court.
14. Accordingly, we hereby direct that the appellant-claimants shall be entitled to compensation towards the acquired lands at the rate of Rs. 4,50,000/- per acre with all statutory benefits, interest and costs. However, the direction of the High Court to deny interest for the period of delay in filing the cross-objections is sustained.
15. This order is being passed in peculiar facts of the present case and shall not be treated as precedent.
16. The appeals are allowed in the above terms.
17. Pending application(s), if any, shall stand disposed of.

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