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COLLECTOR, LAND ACQUISITION

v.

GANARAM DHOBA

DECEMBER 4, 1995

B

[K. RAMASWAMY AND K.S. PARIPOORNAN, JJ.]

*Land Acquisition Act, 1894 :*

C *Ss.4(1), 18, 23(1-A) and 23(2)—Agricultural land—Acquisition of—Compensation—Determination of on basis of yield—Multiplier of 10 to be applied—Reiteration of.*

D Certain land of the respondent was acquired under S.4(1) of the Land Acquisition Act, 1894 in the year 1983. The award was made in 1987. The reference court determined compensation on the basis of yield from the land by applying multiplier of 16, which was affirmed by the High Court. Aggrieved, the State Government filed the appeal.

Allowing the appeal, this Court

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HELD : 1. The High Court has erred in upholding the multiplier of 16 applied by the reference court. It is settled law that multiplier of 10 would be the proper multiplier to determine the compensation when the agricultural land is assessed on the basis of its yield. However, the statistics regarding produce from the land prevailing in 1957, relied upon by the State, cannot be accepted as the State did not produce statistic of the produce in the area concerned as on the date of notification and considerable improvement in this regard must have been made between 1957 and 1987. The compensation should be determined accordingly. [149-F-G]

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G 2. The claimants would also be entitled to benefits available under the provisions of the Act as amended by Act 68 of 1984.

CIVIL APPELLATE JURISDICTION : Civil Appeal No. 11967 of 1995

H From the Judgment and Order dated 16.8.95 of the Orissa High Court in First Appeal No. 135/1991.

P.N. Misra for the Appellant. A

Kishore Kumar Patel and Anil Kumar Gupta-II for the Respondents.

The following Order of the Court was delivered :

Leave granted. B

This appeal by special leave arises from the judgment dated 16th August, 1991 of the Division Bench of the Orissa High Court made in F.A. No. 135/91. The High Court accepted the oral evidence that the yield from the land was 22 bags per acre. It also accepted the deduction of 50% of the value of the crop for cultivation expenses. It also accepted the prevailing price as on the relevant dated as Rs. 130 per bag ; 27.20 acres for single crop wet lands and 4 acres for double crop wet lands. Therefore, it accepted the findings of the reference Court and modified the same to the extent of single crop wet lands. Thus this appeal by special leave. C

Notification under Section 4 [1] of the Land Acquisition Act, 1894 [for short, "the Act"] was published on 19th August, 1983. The award under Section 11 was made on April 25, 1987. The reference court awarded compensation on 8th February, 1991. On appeal, by judgment and decree dated 16th August, 1991, the High Court confirmed the award with the above modification. D E

It is contended for the State that statistics for the year 1957 show that the yield in that area was about 10 bags and that, therefore, the High Court was not right in confirming the compensation at 22 bags per acre. It is seen that from the year 1957 till 1987 considerable improvement must obviously have been made. Under those circumstances, no attempt has been made by the State to produce the relevant statistics of the produce as on the date of the notification, viz., 19th August, 1983. Therefore, we cannot accept the contention of the State that the produce from the lands would be as per the statistics prevailing in 1957. Even accepting the valuation given by the reference court as well as the High Court, it is settled law that multiplier of 10 would be the proper multiplier to determine the compensation when the land is assessed on the basis of the yield of agricultural lands. The reference court applied multiplier of 16 and the High Court upheld it. This obviously is illegal and application of wrong principle of law. F G

The annual yield at Rs. 1430 should be multiplied by 10 and the H

- A market value should be determined at Rs. 14,300 per acre. The compensation should accordingly be determined. The claimants would also be entitled to enhanced solatium and interest and also 12% additional amount per annum on enhanced compensation under the Act as amended by Act 68 of 1984.
- B The appeal is allowed accordingly. No costs.

R.P.

Appeal allowed.