



**IN THE HIGH COURT OF ANDHRA PRADESH [3545]
AT AMARAVATI
(Special Original Jurisdiction)**

MONDAY, THE SIXTEENTH DAY OF MARCH
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE BATTU DEVANAND

THE HONOURABLE SRI JUSTICE A. HARI HARANADHA SARMA

LAND ACQUISITION APPEAL SUIT NO: 213/2018

Between:

1. DATLA RADHA JAYA LAKSHMI, REPRESENTED BY ITS GPA HOLDER G
RAMA VARMA S/O SURYANARAYANA RAJU, AGED 72 YEARS R/O
JANGAREDDYGUDEM, WEST GODAVARI DISTRICT, AP
...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION, Yerrakaaluva
Project, Jangareddigudem
...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 210/2018

Between:

1. GORINTA UDAYA KUMAR, REPRESENTED BY ITS GPA HALER G
VIJAYA RAMA RAJU S/O SURVANARAYANA RAJU AGED 63 YEARS R/O
JANGAREDDYGUDEM, WEST GODAVARL DISTRICT, AP
...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION, Yerrakaaluva
Project, Jangareddigudem
...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 211/2018

Between:

1. G RAMESH KUMAR, REPRESENTED BY ITS GPA HOLDER G VIJAYA
RAMA RAJU S/O SURYANARAYANA RAJU, AGED 63 YEARS R/O
JANGAREDDYGUDEM, WEST GODAVARI DISTRICT, AP
...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR, Yerrakaaluva Project, Jangareddigudem
...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 214/2018

Between:

1. POTTELU SUBBA RAO, S/O MULLAYYA, AGED ABOUT 66 YEARS, R/O BORRAMPALEM, T NARSAPURAM MANDAL, WEST GODAVARI DISTRICT, AP

...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION, Yerrakaaluva Project, Jangareddigudem

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 216/2018

Between:

1. VEGESINA SRINIVASA RAJU, R/O JANGAREDDYGUDEM, WEST GODAVARI DISTRICT, AP

...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION, Yerrakaaluva Project, Jangareddigudem

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 217/2018

Between:

1. ALLURI PARVATHAMA, REPRESENTED BY ITS GPA HOLDER ALLURI AJAY KUMAR S/O RAMAKRISHNAM RAJU, AGED 54 YEARS R/O 701, C BLOCK, NCC UNRAN, OPP NASR BOYS SCHOOL, GACHIBOWLI, HYDERABAD - 500032, TELANGANA

...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION, Yerrakaaluva Project, Jangareddigudem

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 218/2018

Between:

1. VEGESINA VENKATA RAMA KRISLINAM RAJU, REPRESENTED BY ITS GPA HOLDER G VIJAYA RAMA RAJU S/O SURYANARAYANA RAJU, AGED 63 YEARS R/O JANGAREDDYGUDEM, WEST GODAVARI DISTRICT, AP

...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION YERRAKAALUVA PROJECT, Jangareddy Gudem

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 219/2018

Between:

1. KUNAPARAJU NAGA JYOTHI, REPRESENTED BY ITS GPA HOLDER G RAMA VARMA S/O SURYANARAYANA RAJU, AGED 72 YEARS R/O JANGAREDDYGUDEM, WEST GODAVARI DISTRICT, AP

...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION YERRAKAALUVA PROJECT, Jangareddigudem

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 220/2018

Between:

1. INDUKURI SAILAJA KUMARI, REP BY ITS GPA HOLDER G RAMA VARMA, S/O. SURYANARAYANA RAJU, R/O. JANGAREDDYGUDEM, WEST GODAVARI DISTRICT

...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION, Yerrakaaluva Project, Jangareddigudem

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 223/2018

Between:

1. RUDRARAJU ALIVELU MANGATAYARU, REPRESENTED BY ITS GPA HOLDER G RAMA VARMA S/O SURYANARAYANA RAJU, AGED 72 YEARS R/O JANGAREDDYGUDEM, WEST GODAVARI DISTRICT, AP

...APPELLANT

AND

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION, Yerrakaaluva Project, Jangareddigudem

...RESPONDENT

Counsel for the Appellant/s:

1. P GOPAL DAS

Counsel for the Respondent:

1. THE ADVOCATE GENERAL

LAND ACQUISITION APPEAL SUIT NO: 281/2018

Between:

1. SPECIAL DEPUTY COLLECTOR, LAND ACQUISITION OFFICER, YERRAKALUVA PROJECT, JANGAREDDYGUDEM.

...APPELLANT

AND

1. SRI VEGESINA VENKATA RAMAKRISHNAMRAJU, S/o. Suryanarayanaraju, Rio. Singarayapalem, T. Narasapuram Mandal, Chintalapudi, JCJC. Rep., by G.P.A. holder Sri G. Vijaya RamaRaju, S/o. Suryanarayana Raju, Aged 63 years, Jangareddygudem, Jangareddygudem Mandal, and JCJC

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 282/2018

Between:

- 1.SPECIAL DEPUTY COLLECTOR, LAND ACQUISITION OFFICER, YERRAKALUVA PROJECT, JANGAREDDYGUEM.

...APPELLANT

AND

- 1.GORENTLA RAMESH KUAMR, S/o.Vijayamaraju,age 45 years R/o. Singarayapalem,T.Narsapuram Mandal,Chinthalapudi JCJc, Rep., by G.P.A. holder Sri G. Vijaya Ramaraju, S/o. Suryanarayana Raju, Aged 63 years, Jangareddygudem, Jangareddygudem Mandal, and JCJC.

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 283/2018

Between:

- 1.SPECIAL DEPUTY COLLECTOR, LAND ACQUISITION OFFICER, YERRAKALUVA PROJECT, JANGAREDDYGUEM.

...APPELLANT

AND

- 1.SMT KUNAPARAJU NAGA JYOTHI, W/o. Nityanandaraju, R/o. Visakhapatnam, Rep., by G.P.A. holder Sri G. Rama Varma, S/o. Suryanarayana Raju, Aged 72 years, Jangareddygudem, Jangareddygudem Mandal, and JCJC.

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 284/2018

Between:

- 1.SPECIAL DEPUTY COLLECTOR, LAND ACQUISITION OFFICER, YERRAKALUVA PROJECT, JANGAREDDYGUEM

...APPELLANT

AND

- 1.POTTELU SUBB RAO, S/o.Mullayya,age 66 years R/o. Borrapalem,T.Narsapuram Mandal,Chinthalapudi JCJC

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 285/2018

Between:

1. SPECIAL DEPUTY COLLECTOR, LAND ACQUISITION OFFICER,,
YERRAKALUVA PROJECT, JANGAREDDYGUDEM.

...APPELLANT

AND

1. SRI GORENTALA UDYA KUMAR, S/o.Vijayamaraju,age 42 years R/o.
Singarayapalem,T.Narsapuram Mandal,Chinthalapudi JCJc, Rep., by G.P.A.
holder Sri G. Vijaya Ramaraju, S/o. Suryanarayana Raju, Aged 63 years,
Jangareddygudem, Jangareddygudem Mandal, and JCJC.

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 286/2018

Between:

1. SPECIAL DEPUTY COLLECTOR LAND ACQUISITION OFFICER,
YERRAKALUVA PROJECT, JANGAREDDYGUDEM.

...APPELLANT

AND

1. DATLA RADHA JAYA LAKSHMI, W/o.Ravindharaju,age 41 years R/o.
Visakhapatnam, Rep., by G.P.A. holder Sri G. Rama Varma, S/o.
Suryanarayana Raju, Aged 72 years, Jangareddygudem, Jangareddygudem
Mandal, and JCJC

...RESPONDENT

THE HONOURABLE SRI JUSTICE BATTU DEVANAND
THE HONOURABLE SRI JUSTICE A. HARI HARANADHA SARMA
LAND ACQUISITION APPEAL SUIT NO: 287/2018

Between:

1. SPECIAL DEPUTY COLLECTOR. LAND ACQUISITION OFFICER,,
YERRAKALUVA PROJECT, JANGAREDDYGUDEM

...APPELLANT

AND

1. RUDRARAJU ALIVELU MANGA TAYARU, W/o Suryanarayanaraju, R/o
Kakinada, Kakinada JCJC, ARep., by GPA holder Sri.G.Rama Varam, S/o
Suryanarayana raju, aged 72yrs, Jangareddygudem

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 289/2018

Between:

1. SPECIAL DEPUTY COLLECTOR, LAND ACQUISITION OFFICER,
YERRAKALUVA PROJECT, JANGAREDDYGUDEM.

...APPELLANT

AND

1. SRI VEGESINA SRINIVASARAJU, S/o. Suryanarayanaraju, R/o.
Visakhapatnam, Rep., by G.P.A. holder Sri G. Vijaya RamaRaju, S/o.
Suryanarayana Raju, Aged 63 years, Jangareddygudem,
Jangareddygudem Mandal, and JCJC

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 290/2018

Between:

1. SPECIAL DEPUTY COLLECTOR, LAND ACQUISITION OFFICER,
YERRAKALUVA PROJECT, JANGAREDDYGUDEM

...APPELLANT

AND

1. SMT ALLURI PARVATHAMMA, W/o.Ramakrishnam raju, age 64 years Rio.
Amalapuram, rep/by G.P.A.Holder Alluri Ajya Kumar, S/o Ramakrishnam
Raju, age 51 years, City Civil Courts, Hyderabad

...RESPONDENT

LAND ACQUISITION APPEAL SUIT NO: 298/2018

Between:

1. SPECIAL DEPUTY COLLECTOR, LAND ACQUISITION OFFICER, YERRAKALUVA PROJECT, JANGAREDDYGUDEM.

...APPELLANT

AND

1. SMT INDUKURI SAILAJA KUMARI, W/o. Ramaraju, Age 44 years R/o. Visakhapatnam, Rep., by G.P.A. holder Sri G. Rama Varma, S/o. Suryanarayana Raju, Aged 72 years, Jangareddygudem, Jangareddygudem Mandal, and JCJC

...RESPONDENT

Counsel for the Appellant:

1. THE ADVOCATE GENERAL (AP)

Counsel for the Respondent:

1. P GOPAL DAS

**THE HON'BLE SRI JUSTICE BATTU DEVANAND
And**

THE HONOURABLE SRI JUSTICE A. HARI HARANADHA SARMA

**LAND ACQUISITION APPEAL SUIT Nos. 213, 210, 211, 214, 216, 217,
218, 219, 220, 223, 281, 282, 283, 284, 285, 286, 287, 289, 290 & 298 of
2018 And**

I.A.No.1 of 2025 in LAAS No.281 of 2018

COMMON JUDGMENT and ORDER: *(Per Hon'ble Sri Justice A. Hari Haranadha Sarma)*

Introductory:-

(i) These batch of appeals are filed under Section 54 of the Land Acquisition Act 1894, arising out of a batch of references in terms of Section 18 of the Land Acquisition Act, traceable to Award No.14 of 2005 Roc.No.A.100/2003 passed by the Special Tahsildar(LA), Jangareddigudem dated 28.02.2005 under Section11(1) of the Land Acquisition Act, 1894 *[for short referred as 'the Act']* pursuant to the notification under Section 4(1) of the Land Acquisition Act, invoking urgency of the provisions under Land Acquisition Act, dispensing with enquiry under Section 5-A of the Act, which was approved in the proceedings of West Godavari Collector vide ROC.G3/5885/2003 dated 20.10.2003, and it was published in A.P. Gazette Extraordinary No.29 dated 24.10.2003, and notification was also published in local newspapers, Eenadu and Eluru Times.

(ii) I.A.No.1 of 2025 is filed by appellant in LAAS.No.281 of 2018 under Order-41 Rule-27 of CPC seeking permission to submit additional evidence.

2. The details of the land acquired, compensation awarded claimant wise and respective proceedings before the Reference Court with the appeal Numbers before this Court are as follows:-

Sl. No.	L.A.A.S No.	L.A.O.P No.	Claimant Name	Land Extent	R.S.No.	Compensation Awarded by L.AO	Compensation awarded by Referral Court
1.	220/2018 -Claimant 298/2018 -State	947/2012	I.SAILAJAKUMARI	Ac.6.98 cents	1/9B	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
						Rs.110000/- p.a (For Bamboo)	Rs.300000/- p.a
						Rs.301/-per tree (For Palm oil)	Rs.3000/-p. tree
						Nil (For Coconut)	Rs.3000/-p. tree
2.	210/2018-Claimant 285/2018 - State	950/2012	G.UDAYKUMAR	Ac.3.16 cents	52/2B	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
						Rs.110000/- p.a(For Bamboo)	Rs.300000/- p.a
						Nil(For Eucalyptus trees)	Rs.1000/-p. tree
3.	211/2018 -Claimant 282/2018 - State	951/2012	G.RAMESHKUMAR	Ac.0.84 cents	52/3B	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
						Rs.110000/- p.a (For Bamboo)	Rs.300000/- p.a
						Nil (For Eucalyptus trees)	Rs.1000/- p.tree
4.	213/2018 - Claimant 286/2018 - State	949/2012	D.R.JAYALAKSHMI	Ac.6.98 cents	1/9B	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
						Rs.110000/-p.a (For Bamboo)	Rs.300000/- p.a
						Rs.301/-p. tree (For Palm oil)	Rs.3000/-p. tree
						Nil (For Coconut)	Rs.3000/-p. tree

5.	214/2018 - Claimant 284/2018 - State	952/2012	P.SUBBARAO	Ac.1.00 cents	1/9A	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
						Rs.237/-p.tree (For palm oil)	Rs.3000/-p. tree
						Nil(For Eucalyptus trees)	Rs.1000/- p.tree
6.	216/2018 - Claimant 289/2018 - State	945/2012	V.SUBBARAJU	Ac.4.27 cents	1/2	Rs.57000/-p.a (ForLand)	Rs.350000/- p.a
						Rs.1416/-p.tree (ForCoconut)	Rs.3000/-p. tree
						Nil(ForCocoa trees)	Rs.1000/- p.tree
7.	217/2018 -Claimant 290/2018- State	953/2012	A.PARVATHAMMA	Ac.1.79 cents	53/5A2	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
				Ac.1.19 cents	53/5B	Rs.1416/- tree (For Coconut)	Rs.3000/-p. tree
				Ac.2.98 cents TOTAL			
8.	218/2018 -Claimant 281/2018- State	944/2012	V.V.RAMAKRISHNA M RAJU	Ac.5.00 cents	1/2	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
						Rs.1416/- p.tree (For Coconut)	Rs.3000/-p. tree
						Nil(For Cocoa trees)	Rs.1000/- p.tree
						Rs.82025/- (For Bore well)	Rs.100000/-
9.	219/2018 - Claimant 283/2018 - State	948/2012	K.NJYOTHI	Ac.6.98 cents	1/9B	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
						Rs.110000/- p.a. (For Bamboo)	Rs.300000/- p.a
						Rs.301/-p. tree (For palm oil)	Rs.3000/-p. tree
						Nil(For Coconut)	Rs.3000/-p. tree
10.	223/2018 - Claimant 287/2018 - State	946/2012	R.AMANGATAYAR U	Ac.4.51 cents	1/8A	Rs.57000/-p.a (For Land)	Rs.350000/- p.a
						Rs.90000/-p.a (For Eucalyptus tree)	Rs.250000/- p.a

3. For the sake of convenience, the parties will be hereinafter referred to as and how they are referred before the Reference Court.

4. Heard the learned Advocate General appearing for the State/Land Acquisition Officer and Sri P. Gopal Das, learned counsel appearing for the claimants.

5. References made in terms of Section 18 of the Act were taken on file as LAOPs mentioned in above table by the Referral Court and they were decided under Common Judgment dated 29.03.2018 by the I Additional District Judge, West Godavari, Eluru (*hereinafter referred as 'the Referral Court'*).

6. Feeling dissatisfied by the decree and judgement passed by the learned Referral Court, both the claimant and the Referral Officer filed the appeals. The details of the appeals connected to the LAOPs are mentioned in the above table.

7. Common arguments are advanced by the both counsel on record in respect of all the (20) matters. Since the matters substantially involving similar questions of fact and law, barring the deference as to the extent of land acquired and trees available on lands claimant-wise, these appeals are now answered by this common Judgement.

Facto Matrix:-

8. [i] Land covering various Survey Numbers including R.S.Nos.1/2, 1/8A, 1/9A, 53/5A2 etc., of Vallampatla Village of T. Narasapuram Mandal, West Godavari District in an extent of 105.79 cents was acquired for foreshore submersion area under Yerra Kalava Reservoir project for public

purpose, invoking the urgency provisions under Section 17 (4) of the Land Acquisition Act, dispensing with the enquiry under Section 5-A of the Land Acquisition Act.

[ii] The Land Acquisition Officer after obtaining registration statistics in the vicinity of the lands under acquisition and on inspection of the lands under acquisition as well as the lands covered by the sales transactions fixed the market value. He has considered the sales of the year 2000, 2001, 2002, 2003 and observed that lands involved in acquisition are being cultivated with wet paddy, sugar cane, cashew nut and mango gardens, coconut with coco as inter crop. Bamboo garden and oil palm gardens with availability of bore wells in respect of certain lands.

[iii] Taking into consideration his discrete enquiries and the sale transactions etc., fixed the rate of land @Rs.57,000/- per acre along with statutory benefits i.e., 30% solatium etc.. In respect of certain lands consent Award was passed by awarding @Rs.1,00,000/- per acre inclusive of all benefits, whereas some land owners like the present claimants, demanded for higher compensation and refused to give consent, hence, the award under challenge is passed, observing that the concerned authorities have fixed the abnormal rates for certain lands of Bamboo garden etc., and that the excessive claim is made by the claimants. The Land Acquisition Officer fixed the price at Rs.57,000/- towards market value of the land and Rs.1,10,000/- per acre for Bamboo garden and at the rate of Rs.90,000/-

per acre for the lands where Eucalyptus trees are existing observing that the rates were fixed after pursuing the rates suggested by the Forest and Horticulture Departments.

[iv] After conducting enquiry, Land Acquisition Officer passed the Award No.14 of 2005. Since the same is not satisfactory to the claimants, References were made to the Referral Court in terms of Section 18 of the Act and the impugned orders came to be passed by the learned Referral Court. The details of the compensation awarded by the Referral Officer and the Referral Court are shown in the table mentioned above. The Referral Court awarded compensation for palm oil tree @Rs.3000/-, coconut tree @Rs.3000/-, Eucalyptus @Rs.1000/-. Feeling dissatisfied by the award and decree of referral Court both the claimants and the Referral officer are before this Court filing appeals questioning the sustainability of the award of the Referral Court.

Arguments in the Appeal:-

For the claimants:-

9.

- (i) The Land Acquisition Officer simply stated that Registration statistics of the vicinity of the lands are gathered from Sub-Registrar's Office, Chintalapudi, but the date of proceedings etc., are not shown.

- (ii) In the Award, the Land Acquisition Officer observed that the lands are being cultivated with wet paddy, sugar cane, cashew nut and Mango gardens, coconut with coco as inter crop; bamboo gardens and oil palm gardens also raised and there is availability of bore well in certain lands, but these aspects are not considered, while granting the compensation.
- (iii) Without considering the required parameters, the compensation is fixed arbitrarily at Rs.57,000/- per acre and the enhancement is also made mechanically by Referral Court.
- (iv) Land Acquisition Officer failed to consider the legal and practical aspect etc.. The learned referral Judge thought that he is sitting in appeal over awarded of Land Acquisition Officer as appellate authority and observed that awarded is liable to be set aside, which is incorrect.
- (v) Various factors to be considered while dealing with the land acquisition matters are stated by Hon'ble Supreme Court in ***Chimanlal Hargovinddas v. Special Land Acquisition Officer***¹ and that they are not followed by both the Referral Officer and the Referral Court.

¹ (1988) 3 SCC 751

- (vi) The crucial documents marked on behalf of the claimants under Exs.A1 to A4 are not properly considered. Under Ex.A4, land in an extent of Ac.1.50 cents is sold, it is relevant to note that, under Ex.A4, there is reference to in agreement of sale dated 22.11.1999, consideration is mentioned as on the date of agreement, whereas the sale is in the year 2003. Therefore, hike in the market value should have been taken @20% for every year, whereby the land value will come to Rs.6,30,000/- but the Referral Court has erroneously considered the land value @Rs.3,50,000/- only. The vendor under Ex.A4-Mr.U.Pullarao is examined as PW.5, therefore, Ex.A4 stands proved.
- (vii) The selection of sales and prices done by the Land Acquisition Officer are arbitrary.
- (viii) The learned Referral court having observing the lands are fertile lands, having water supply and yielding commercial crops, ought to have awarded a compensation at Rs.8,00,000/- per acre as claimed instead of Rs.3,50,000/-.
- (ix) The Land Acquisition Officer has not filed any material base before the Court for fixing the compensation for the lands or trees.
- (x) For the purpose of awarding compensation for bamboo and Eucalyptus gardens report was called from the DFO, who gave the report as Rs.2,14,000/- and Rs.1,38,000/- per acre. But the

Land Acquisition Officer discarded the valuation as not reasonable, which is incorrect.

- (xi) Evidence of PW.1 is not properly considered; in respect of bamboo garden the yield will be Rs.60,000/- per acre per annum and multiplier can be '15', then the entitlement comes to Rs.9,00,000/- where the Referral Court granted only Rs.3,00,000/-. In respect of Eucalyptus guardian also, each tree if cut would fetch Rs.4000/- and there will be 1100 trees per acre where by the yield will be Rs.4,40,000/- and if the multiplier '15' is applied, the compensation will be more than awarded, whereas the Referral Court has awarded only Rs.2,50,000/- per acre. Thus the claimants are entitled for more compensation.
- (xii) In respect of palm trees also the Referral Officer awarded Rs.300/- per tree the Referral Court has enhanced Rs.3000/- but the valuation of palm oil tree is Rs.6500/- per tree even for the year 2002. Therefore, the compensation awarded require enhancement.
- (xiii) In respect of coconut tree the Land Acquisition Officer, awarded 1415.83 and the Referral Court enhanced Rs.3000/- whereas the Supreme Court decided that in a case reported in 2010 (13) SCC 384, on 18.10.2010 and awarded compensation for coconut tree @Rs.2675/-, where the Land Acquisition made in the state of Tamil

Nadu. If the acceleration of price has taken into consideration, from the date of acquisition mentioned in the said case to the date of acquisition in the present case, being 1985 to 2003, the coconut tree will fetch Rs.8000/- per tree. Therefore, the compensation require enhancement for coconut trees.

- (xiv) While determining the market value, the market value considered for statutory purposes need not be the complete basis; however, the same may be taken as a guiding factor to some extent.
- (xv) It is not out of place to consider that, for the purpose of stamp duty, parties may sometimes undervalue the property, and therefore the actual market value may be higher than the value mentioned in the agreement of sale or in the sale documents.
- (xvi) With regard to the value of the trees, the palm tree value should have been considered @Rs.6500/- which is shown under Ex.A24, 25, 26, and 27 and the payments are evidenced through proper official records and bank payments, therefore, the same need not be doubted. In respect of coconut tree also the same is undervalued.
- (xvii) Compensation awarded in respect of bamboo garden requires enhancement; likewise in respect of trees also the compensation shall be enhanced.

- (xviii) The statutory benefits of additional market value @12% and 30% solatium, should have been awarded on both the land as well as the trees. Further, interest @9% p.a. on the enhanced amount for one year and @15% till realisation require enhancement.
- (xix) The State has filed I.A.No.1 of 2025 in LAAS No.281 of 2018, which is directed against the O.P.No.944 of 2012, eight (08) documents are enclosed. Out of them, the seven (07) documents are relating to the sales pertaining to the year 2002 to 2005. The Land Acquisition officer did not choose to file these documents before the Referral Court. Referral Court has clearly mentioned at para 70 of the judgment that the Land Acquisition Officer did not file any material before the Court, for the basis which, he fixed compensation for the land as well as the trees. Now the present application is filed under I.A.No.1 of 2025 in the year 2025, after long lapse of time. Therefore, the effort of the land Acquisition Officer for production of the additional evidence, at this appellate stage, cannot be entertained.

For the State/Referral Officer:-

10. [i] Additional evidence produced vide I.A.No.1 of 2025 in LAAS No.281 of 2018 can be received as the same necessary for examining the core questions in the controversy.

[ii] The Land Acquisition Officer has properly considered the valuation of the trees, garden and the land value with reference to comparative sales and the fixation of land value was properly done.

[iii] The enhancement of compensation by the learned Referral Court under the impugned judgement is baseless and excessive.

[iv] Learned Referral Court seriously erred in awarding the compensation for the land, trees as well as garden.

[v] The purpose of acquisition is for social welfare and for common good. Therefore, the claimant cannot expect windfall benefits. The appeals filed by the Referral Officer-State are fit to be allowed setting aside the award of the Referral Court and confirming the award of the Referral Officer.

11. We have perused the entire material available on record.

12. Anxious and thoughtful consideration is given to the extensive arguments submitted on both sides.

13. The points that arise for determination in this batch of appeals are –

- 1) Whether the additional evidence produced before this appellate Court in i.A.no.1 of 2025 in LAAS No.281 of 2018 can be received?
- 2) What is the result of the I.A.No.1 of 2025 in LAAS no.281 of 2018?

- 3) Whether the valuation of the land under the impugned award and decree dated 28.02.2018 passed by the Referral Court is proper? Or require any modification either by way of enhancement or reduction?
- 4) Whether the value of the trees, Coconut and Palm oil, per each tree and the bore well fixed by the Land Acquisition Officer or the Referral Court is proper? Or require any modification?
- 5) What is the result of the appeals?

POINT NO.1 :-

14. [i] The appellant in LAAS no.281 of 2018 wants to introduce the following documents through the present application vide I.A.No.1 of 2025:-

- (1) 4(1) notification dated 24.10.2003
- (2) consent award vide no.3/2004, dated 15.03.2004
- (3) Letter vide No.DB/D.1/F.L.9 (C)/Vol.1/7 Rev. Dated 11.1.2005 addressed by the Executive Engineer, Yerrakalava Project, Janagareddygudem to the Special Tahasildar
- (4) Letter vide Rc.No.2374/04-S2 dated 12.02.2005 (which is subsequent to Ex.A10) addressed by the Divisional Forest Officer to joint Collector.

(5) Letter vide Rc.no.A1/186/2004 dated 08.02.2005 addressed by the Assistant Director of horticulture, Eluru to Special Tahsildar with regard to valuation.

(6) the statement of sale statistics of Vallampeta Village for the period 01.01.200 to 31.10.2003 obtained from the office of the Sub-Registrar, Chintalapudi

15. The objection for receiving the documents is that, they are very much available and supposed to be in the custody of the referral officer/applicant/appellant, what prevented from filing those documents earlier is not known. Therefore, said documents cannot be introduced at this belated stage.

16. The reason assigned by the applicant is that the Special Deputy Collector/ Land Acquisition Officer, Yerrakaluva Project in in-charge basis while reviewing pending Court cases with the concerned Government Pleader, he advised that certain additional evidence is very much essential to bring on record as additional evidence before this Court. Hence, the present application is filed at the earliest point of time and opportunity.

17. Land Government Leader strenuously submitted that the additional evidence can be received at appellate stage, if the same is relevant. The test applicable is not the lapse of the party but it shall be the necessity for determination of the issue by the court. Further, he has relied on the

decisions passed by the Hon'ble Apex Court in ***Malayalam Plantations Limited Vs. State of Kerala And Another***², *vide para 16*; ***Union of India vs. Ibrahim Uddin and Another***³ *vide paras 47, 48, 49, 50, 51*;; ***A.Andiswamy Chettiyar Vs. A.Subburaj Chettiar***⁴*vide para 16*, ***State of Karnataka and Another Vs. K.C.Subramanya and others***⁵ *vide paras 4 to 9*:-

18. The observations made in the above authorities are as follows :-

[i] In *Malayalam Plantations Ltd. v. State of Kerala* (cited supra) the Hon'ble Apex Court observed at para 16 as follows:-

“16. If any petition is filed under Order 41 Rule 27 in an appeal, it is incumbent on the part of the appellate court to consider at the time of hearing the appeal on merits so as to find out whether the documents or evidence sought to be adduced have any relevance/bearing on the issues involved. It is trite to observe that under Order 41 Rule 27, additional evidence could be adduced in one of the three situations, namely, (a) whether the trial court has illegally refused the evidence although it ought to have been permitted; (b) whether the evidence sought to be adduced by the party was not available to it despite the exercise of due diligence; (c) whether additional evidence was necessary in order to enable the appellate court to pronounce the judgment or any other substantial cause of similar nature.”

[ii] In *Union of India v. Ibrahim Uddin*, [cited supra] *vide paras 47, 48, 49, 50, 51*, the Hon'ble Apex Court held as under:-

² (2010) 13 SCC 487

³ (2012) 8 SCC 148

⁴ (2015) 17 SCC 713

⁵ (2014) 13 SCC 468

“47. Where the additional evidence sought to be adduced removes the cloud of doubt over the case and the evidence has a direct and important bearing on the main issue in the suit and interest of justice clearly renders it imperative that it may be allowed to be permitted on record, such application may be allowed.

48. To sum up on the issue, it may be held that an application for taking additional evidence on record at a belated stage cannot be filed as a matter of right. The court can consider such an application with circumspection, provided it is covered under either of the prerequisite conditions incorporated in the statutory provisions itself. The discretion is to be exercised by the court judicially taking into consideration the relevance of the document in respect of the issues involved in the case and the circumstances under which such an evidence could not be led in the court below and as to whether the applicant had prosecuted his case before the court below diligently and as to whether such evidence is required to pronounce the judgment by the appellate court. In case the court comes to the conclusion that the application filed comes within the four corners of the statutory provisions itself, the evidence may be taken on record, however, the court must record reasons as on what basis such an application has been allowed. However, the application should not be moved at a belated stage.

Stage of consideration

49. An application under Order 41 Rule 27 CPC *is to be considered at the time of hearing of appeal on merits* so as to find out whether the documents and/or the evidence sought to be adduced have any relevance/bearing on the issues involved. The admissibility of additional evidence does not depend upon the relevancy to the issue on hand, or on the fact, whether the applicant had an opportunity for adducing such evidence at an earlier stage or not, but it depends upon whether or not the appellate court requires the evidence sought to be adduced to enable it to pronounce judgment or for any other substantial cause. The true test, therefore is, whether the appellate court is able to pronounce judgment on the materials before it without taking into consideration the additional evidence sought to be adduced. Such occasion would arise only if on examining the evidence as it stands the court comes to the conclusion that some inherent lacuna or defect becomes apparent to the court. (Vide *Arjan Singh v. Kartar Singh* [1951 SCC 178 : AIR 1951 SC 193] and *Natha Singh v. Financial Commr., Taxation* [(1976) 3 SCC 28 : AIR 1976 SC 1053] .)

50. In *Parsotim Thakur v. Lal Mohar Thakur* [(1931) 34 LW 76 : AIR 1931 PC 143] it was held : (LW pp. 86-87)

“... The provisions of Section 107, Civil Procedure Code, as elucidated by Order 41 Rule 27, are clearly not intended to allow a litigant who has been unsuccessful in the lower court to patch up the weak parts of his case and fill up omissions in the court of appeal.

... Under Rule 27, clause (1)(b), it is only where the appellate court ‘requires’ it (i.e. finds it needful)... *The legitimate occasion for the exercise of this discretion is not whenever before the appeal is heard a party applies to adduce fresh evidence, but ‘when on examining the evidence as it stands, some inherent lacuna or defect becomes apparent’.*

... It may well be that the defect may be pointed out by a party, or that a party may move the court to supply the defect, but the *requirement must be the requirement of the court upon its appreciation of evidence as it stands*. Wherever the court adopts this procedure it is bound by Rule 27(2) to record its reasons for so doing and under Rule 29 must specify the points to which the evidence is to be confined and record on its proceedings the points so specified. ... *the power so conferred upon the court by the Code ought to be very sparingly exercised, and one requirement at least of any new evidence to be adduced should be that it should have a direct and important bearing on a main issue in the case.”*

(See also *Indrajit Pratap Sahi v. Amar Singh* [(1922-23) 50 IA 183 : AIR 1923 PC 128] .)

51. In *Arjan Singh v. Kartar Singh* [1951 SCC 178 : AIR 1951 SC 193] this Court held : (AIR pp. 195-96, paras 7-8)

“7. ... If the additional evidence was allowed to be adduced contrary to the principles governing the reception of such evidence, *it would be a case of improper exercise of discretion, and the additional evidence so brought on the record will have to be ignored and the case decided as if it was non-existent.* ...

8. ... The order allowing the appellant to call the additional evidence is dated 17-8-1942. The appeal was heard on 24-4-1942. There was thus no examination of the evidence on the record and a decision reached that the evidence as it stood disclosed a lacuna which the court required to be filled up for pronouncing its judgment.”

[iii] In a case between **A. Andisamy Chettiar and A. Subburaj**

Chettiar, [cited supra] the observations of the Hon’ble Apex Court *vide para 16*

are as follows:-

“16. In *Union of India v. Ibrahim Uddin* [*Union of India v. Ibrahim Uddin*, (2012) 8 SCC 148 : (2012) 4 SCC (Civ) 362] this Court has held as under: (SCC p. 171, para 49)

“49. An application under Order 41 Rule 27 CPC *is to be considered at the time of hearing of appeal on merits* so as to find out whether the documents and/or the evidence sought to be adduced have any relevance/bearing on the issues involved. The admissibility of additional evidence does not depend upon the relevancy to the issue on hand, or on the fact, whether the applicant had an opportunity for adducing such evidence at an earlier stage or not, but it depends upon whether or not the appellate court requires the evidence sought to be adduced to enable it to pronounce judgment or for any other substantial cause. The true test, therefore is, whether the appellate court is able to pronounce judgment on the materials before it without taking into consideration the additional evidence sought to be adduced.”

[iv] In *State of Karnataka v. K.C. Subramanya and ors.* [cited *supra*] the observations at para nos.4 to 9 are as follows:-

“4. However, we do not feel impressed with this argument and deem it fit to reject it in view of Order 41 Rule 27(1)(aa) which clearly states as follows:

“27. (1)(a)***

(aa) the party seeking to produce additional evidence, establishes that notwithstanding the exercise of due diligence, such evidence was not within his knowledge or could not, after the exercise of due diligence, be produced by him at the time when the decree appealed against was passed, or

(b) ***”

On perusal of this provision, it is unambiguously clear that the party can seek liberty to produce additional evidence at the appellate stage, but the same can be permitted only if the evidence sought to be produced could not be produced at the stage of trial in spite of exercise of due diligence and that the evidence could not be produced as it was not within his knowledge and hence was fit to be produced by the appellant before the appellate forum.

5. It is thus clear that there are conditions precedent before allowing a party to adduce additional evidence at the stage of appeal, which specifically incorporates conditions to the effect that the party in spite of due diligence could not produce the evidence and the same cannot be allowed to be done at his leisure or sweet will.

6. In the instant matter, the appellants are a public authority and have sought to produce a road map which, it is unbelievable, was not within the knowledge of the appellants indicating a road to the disputed land. Therefore, the rejection of the application of the appellants to rely on the said map has rightly not been entertained at the stage of first appeal. The impugned order [*State of Karnataka v. K.C. Subramanya*, Regular First Appeal No. 1765 of 2005, decided on 26-7-2011 (KAR)] thus does not suffer from legal infirmity so as to interfere with the same.

7. However, we deem it appropriate to observe further that the appellants are the Government of Karnataka and, therefore, if it is of the view that the land in question requires construction of a public road, no one can stop it from acquiring the land in question. In fact, the appellants appear to have taken steps earlier for acquisition of the land in question but what prevailed upon the appellants to drop the acquisition proceeding is not quite clear.

8. The present appeal arises out of a simple suit of declaration and confirmation of possession which was decreed in favour of the respondents and was upheld by the High Court. The decree having been passed after contest, cannot be interfered with unless the counsel could prove perversity in the finding recorded concurrently by the courts below. It is clear that the appellants have miserably failed to do so and, therefore, they cannot bank upon the equity and good conscience of this Court beseeching interference with a contested decree passed in favour of the respondents.

9. It is no doubt true that the court at times can exercise its due diligence for taking the relevant aspects of the matter while exercising its discretion for application of equity and good conscience. But, insofar as the appellants in this appeal are concerned, that also is lacking as we fail to comprehend as to why the appellants dropped the acquisition proceeding if it thought that the land in question was so essential and viable for using it as a public road.”

19. In the award under challenge, there is formal reference to 4(1) Notification dated 24.10.2003 and also collection of information from various authorities and the date as to comparative sales etc., relied on by the

Referral Officer. Now the proposed documents are nothing but supplementation of the material to some extent part of the record. But why these documents very much available during the pendency of the trial, are not produced before the Referral Court is not even whispered. The deponent narrates that at the earliest opportunity the documents are being filed. The reference was of the year 2005 and the LAOPs are of the year 2012 and now the appeals are of the year 2018. The application is filed in the year 2025. So the contention that the documents are filed at the earlier opportunity cannot be accepted.

20. Upon application of test of due diligence, no merit is found in the contention of the applicant. Further, on considering the test of necessity and whether this Court will not be in a position to decide the matter in the absence of material, now being sponsored in I.A. No.1 of 2025, this Court finds that even in the absence of the material enclosed to I.A.No.1 of 2025 in LAAS No.281 of 2018, this Court is not handicapped and the matters can be decided. Therefore, upon application of any test contemplated under either Order -41 Rule -27 of CPC or in terms of the guidance in the precedents cited, the prayer for receiving additional evidence found not convincing. Hence, the point No.1 framed is answered accordingly against the petitioner and hence, I.A.No.1 of 2025 in LAAS No.281 of 2018 is liable to be dismissed.

Point No.2 :-

21. In the result, I.A. No.1 of 2025 in LAAS No.281 of 2018 is dismissed.

Point No.3:-**A. LAND VALUE:-****Precedential Guidance:-**

22. [i] Parameters for determination of the land value in land acquisition matters are dealt by the Honourable Apex Court in **Shaji Kuriakose v. Indian Oil Corpn. Ltd.**⁶, vide para 3, the observations are as follows:-

“3. It is no doubt true that courts adopt comparable sales method of valuation of land while fixing the market value of the acquired land. While fixing the market value of the acquired land, comparable sales method of valuation is preferred than other methods of valuation of land such as capitalisation of net income method or expert opinion method. Comparable sales method of valuation is preferred because it furnishes the evidence for determination of the market value of the acquired land at which a willing purchaser would pay for the acquired land if it had been sold in the open market at the time of issue of notification under Section 4 of the Act. However, comparable sales method of valuation of land for fixing the market value of the acquired land is not always conclusive. There are certain factors which are required to be fulfilled and on fulfilment of those factors the compensation can be awarded, according to the value of the land reflected in the sales. The factors laid down inter alia are: (1) the sale must be a genuine transaction, (2) that the sale deed must have been executed at the time proximate to the date of issue of notification under Section 4 of the Act, (3) that the land covered by the sale must be in the

⁶ (2001) 7 SCC 650

vicinity of the acquired land, (4) that the land covered by the sales must be similar to the acquired land, and (5) that the size of plot of the land covered by the sales be comparable to the land acquired. If all these factors are satisfied, then there is no reason why the sale value of the land covered by the sales be not given for the acquired land. However, if there is a dissimilarity in regard to locality, shape, site or nature of land between land covered by sales and land acquired, it is open to the court to proportionately reduce the compensation for acquired land than what is reflected in the sales depending upon the disadvantages attached with the acquired land.”

[ii] The Hon'ble Supreme Court of India in the case of ***'Shanti Bhushan (D) through LR's and others and State of U.P. and others'***⁷, observed in paras 21 to 23 as follows:-

“21. In view of Article 23 of Schedule I of the Stamp Act, the stamp duty payable on a conveyance will be in accordance with the market value of the subject property on the date of the conveyance unless the consideration shown therein is more than the prevailing market value. A useful reference can be made to a decision of this Court in the case of the *State of Rajasthan v. Khandaka Jain Jewellers*⁵. Paragraphs 18 and 19 of the said decision read thus:

“18. The contention of the learned counsel for the State that as per Section 17 of the Act, the market value has to be taken into consideration because Section 17 stipulates that all the instruments chargeable with duty and executed by person of India shall be stamped before or “at the time of execution”. The word “execution” has been defined in Section 2(12) of the Act which says that “execution” used with reference to the instruments, mean “signed” and “signature”. Therefore, it shows that the document which is sought to be registered has to be signed by both the parties. Till that time the document does not become an instrument for registration. A reading of Section 2(12) with Section 17 clearly contemplates that the document should be complete in all respects when both the parties should have signed it with regard to the transfer of the immovable property. It is irrelevant whether the matter had gone in for litigation.

19. It may be mentioned that there is a difference between an agreement to sell and a sale. Stamp duty on a sale has to be assessed on the market value of the property at the time of the sale, and not at the time of the prior agreement to sell, nor at the time of filing of the suit. This is evident from Section 17 of the Act. It is true that as per Section 3, the instrument is to be registered on the basis of the valuation disclosed therein. But Section 47-

⁷ 2023 SCC Online SC 489

A of the Rajasthan (Amendment) Stamp Duty Act contemplates that in case it is found that properties are undervalued then it is open for the Collector (Stamps) to assess the correct market value. Therefore, in the present case when the registering authority found that valuation of the property was not correct as mentioned in the instrument, it sent the document to the Collector for ascertaining the correct market value of the property.”

22. Ultimately in paragraph 22, this Court held thus:

“22. In this background, if we construe Section 17 read with Section 2(12) then there is no manner of doubt that at the time of registration, the registering authority is under an obligation to ascertain the correct market value at that time, and should not go by the value mentioned in the instrument.”

(emphasis added)

23. Hence, when a sale deed is presented for registration, the registering authority must ascertain the correct market value of the property subject matter of the document on the date of execution of the document. The stamp duty is payable on the basis of such market value and not on the consideration mentioned in the document. If the consideration mentioned is more than the market value, the stamp duty will be payable on the consideration shown. Moreover, the market value mentioned in the agreement for sale or the market value prevailing on the date of the agreement or the market value prevailing on the date on which the bargain was struck is of no relevance for deciding the stamp duty. The relevant market value is the one which prevails on the date of execution of the conveyance. Therefore, we have no manner of doubt that the appellants were under an obligation to pay stamp duty calculated on the market value of the sale deed property on the date of execution of the sale deed.”

[iii] Further, with regard to the scope with which the land acquisition proceedings are to be dealt with and various factors to deal with the valuation of the land under Land Acquisition Act as well as the scope and ambiguity of powers of the Referral Court are addressed by the Honourable Apex Court in **Chimnlal Hargovinddas Vs. Special Land Acquisition Officer, Poona And Another**⁸, paras 3 and 4 reads as follows:-

“3. Before tackling the problem of valuation of the land under acquisition it is necessary to make some general observations. The compulsion to do so has arisen as the trial court has virtually treated the award rendered by the Land Acquisition Officer as a judgment under appeal

⁸ (1988) 3 SCC 751

and has evinced unawareness of the methodology for valuation to same extent. The true position therefore requires to be capsulized.

4. The following factors must be etched on the mental screen:

(1) A reference under Section 18 of the Land Acquisition Act is not an appeal against the award and the court cannot take into account the material relied upon by the Land Acquisition Officer in his award unless the same material is produced and proved before the court.

(2) So also the award of the Land Acquisition Officer is not to be treated as a judgment of the trial court open or exposed to challenge before the court hearing the reference. It is merely an offer made by the Land Acquisition Officer and the material utilised by him for making his valuation cannot be utilised by the court unless produced and proved before it. It is not the function of the court to sit in appeal against the award, approve or disapprove its reasoning, or correct its error or affirm, modify or reverse the conclusion reached by the Land Acquisition Officer, as if it were an appellate court.

(3) The court has to treat the reference as an original proceeding before it and determine the market value afresh on the basis of the material produced before it.

(4) The claimant is in the position of a plaintiff who has to show that the price offered for his land in the award is inadequate on the basis of the materials produced in the court. Of course the materials placed and proved by the other side can also be taken into account for this purpose.

(5) The market value of land under acquisition has to be determined as on the crucial date of publication of the notification under Section 4 of the Land Acquisition Act (dates of notifications under Sections 6 and 9 are irrelevant).

(6) The determination has to be made standing on the date line of valuation (date of publication of notification under Section 4) as if the valuer is a hypothetical purchaser willing to purchase land from the open market and is prepared to pay a reasonable price as on that day. It has also to be assumed that the vendor is willing to sell the land at a reasonable price.

(7) In doing so by the instances method, the court has to correlate the market value reflected in the most comparable instance which provides the index of market value.

(8) Only genuine instances have to be taken into account. (Sometimes instances are rigged up in anticipation of acquisition of land.)

(9) Even post-notification instances can be taken into account (1) if they are very proximate, (2) genuine and (3) the acquisition itself has not motivated the purchaser to pay a higher price on account of the resultant improvement in development prospects.

(10) The most comparable instances out of the genuine instances have to be identified on the following considerations:

(i) proximity from time angle,

(ii) proximity from situation angle.

(11) Having identified the instances which provide the index of market value the price reflected therein may be taken as the norm and the market value of the land under acquisition may be deduced by making suitable adjustments for the plus and minus factors vis-à-vis land under acquisition by placing the two in juxtaposition.

(12) A balance-sheet of plus and minus factors may be drawn for this purpose and the relevant factors may be evaluated in terms of price variation as a prudent purchaser would do.

(13) The market value of the land under acquisition has thereafter to be deduced by loading the price reflected in the instance taken as norm for plus factors and unloading it for minus factors.

(14) The exercise indicated in clauses (11) to (13) has to be undertaken in a common sense manner as a prudent man of the world of business would do. We may illustrate some such illustrative (not exhaustive) factors:

Plus factors

Minus factors

1.	smallness of size	1.	largeness of area
2.	proximity to a road	2.	situation in the interior at a distance from the road
3.	frontage on a road	3.	narrow strip of land with very small frontage compared to depth
4.	nearness to developed area	4.	lower level requiring the depressed portion to be filled up
5.	regular shape	5.	remoteness from developed locality
6.	level vis-à-vis land under acquisition	6.	some special disadvantageous factor which would deter a purchaser
7.	special value for an owner of an adjoining property to whom it may have some very special advantage		

(15) The evaluation of these factors of course depends on the facts of each case. There cannot be any hard and fast or rigid rule. Common sense is the best and most reliable guide. For instance, take the factor regarding the size. A building plot of land say 500 to 1000 sq. yds. cannot be compared with a large tract or block of land of say 10,000 sq. yds. or more. Firstly while a smaller plot is within the reach of many, a large block of land will have to be developed by preparing a lay out, carving out roads, leaving open space, plotting out smaller plots, waiting for purchasers (meanwhile the invested money will be blocked up) and the hazards of an entrepreneur. The factor can be discounted by making a deduction by way of an allowance at an appropriate rate ranging approximately between 20 per cent to 50 per cent to account for land required to be set apart for carving out lands and plotting out small plots. The discounting will to some extent also depend on whether it is a rural area or urban area, whether building activity is picking up, and whether waiting period during which the capital of the entrepreneur would be locked up, will be longer or shorter and the attendant hazards.

(16) Every case must be dealt with on its own fact pattern bearing in mind all these factors as a prudent purchaser of land in which position the judge must place himself.

(17) These are general guidelines to be applied with understanding informed with common sense."

Evidence, Reasoning and Findings:-

23. [i] The contention of the claimants is that the evidence of PWs 1 to 4 is crucial and the documents under Exhibit A1 to A4 vindicates the contention of the claimants as to the land value, which can be the basis for arriving at just an adequate compensation in respect of the lands acquired.

[ii] PW.1 – G.Rama Varma is Power of attorney holder of claimant/s in O.P.Nos.58,59, 60, 61 of 2005. Likewise, PW.2- G.Vijaya Rama Raju Power of Attorney holder of claimant/s in O.P.Nos.944, 945, 950 and 951 of 2012; and PW.3-P. Sibba Rao is claimant in O.P.Nos. 952 of 2012;

[iii] PW4-Ch. Venkata Subramanyam is a purchaser of the land during the year 2012 in R.S.No.394/2B2 of Mathannagudem village. He stated that he has purchased the land in an extent of Ac.2.41 cents for a consideration of Rs.8,05,000/- and that there is hike in the land value, hence, the land fetch @Rs.8,00,000 to Rs.10,00,000/- per acre.

[iv] PW5- U.Pulla Rao stated that he owned the land in an extent of Ac.1.50cents in R.S.No.595/1 in Taduvai village. He claimed that he sold the land @Rs.3,50,000/- per acre and copy of the sale deed is marked under Ex.A4. It is pertinent to note that here itself the distance between Vellampatla village, the land under acquisition and Tadavi village is at about 10 to 15 kilometres as admitted by him.

[v] PW6 - I.Vijay Krishna Raju was examined to show that he owned Ac.2-00cents of land in Vallampatla village and there is 60 oil palm trees in an acre and each tree will yield 300 Kgs per year. The value of One KG is Rs.3.50p in the year 2003. As on the date of he giving evidence, it is @6.50p. Coconut garden can also have 60 trees per acre and each tree will yield 100 coconuts per annum and annual income comes to Rs.36,000/- and the value of coconut tree is around Rs.2500/-

[vi] PW.7-G.Baburao evidence is in the same lines of PW5. He has admitted that he do not file documents to show that he had lands in Vallampatla village.

[vii] PW8- Ch.Rama Raju stated that he owned AC.3—00 acres of land in Vallamptala village. His evidence is also in same lines of PW5.

[viii] PW9- A. Durga Rao evidence is relied by claimants to indicate that the Palm tree price paid to him, when trees are cut for by the A.P. Transco for the purpose of laying high tension wires across the land. He has stated that a compensation of Rs 6,500/- per each tree was paid. He has relied on the copy of the proceedings issued by A.P. Transco in the year 2001 and the certificate issued by Andra Bank, Jangareddigudem branch marked as Exhibits A24 and A25.

[ix] PW10-A.Srinivasa Rao stated that in respect of his lands also for laying high tension wires, palm trees were cut and a compensation of

Rs.6500/- was paid. He has relied on Exs.P26 and P27, to show the documents issued by the department.

[x] PW.11-K.Satyanrayan, the then Forest Range Officer stated that in respect of R.S.Nos.1/9B, 52/2B, 52/3B of Vallampatla village he made visits and the claimants used to cut bamboo plantations, after obtaining necessary permission from the Forest Department.

[xi] Ex.A1 is the sale deed dated 16.10.2002, the market value is shown @Rs.2,61,000/- per acre and the value of the palm trees shown @Rs.500/- . The land is in Vallamphatla village covered by R.S.No.1/9.

[xii] Ex. A2 is the sale deed dated 30.12.2012. Land is in an extent of Ac.2.41 cents for Rs.8,05,000/- and the land is situated in Mathannagudem village,1530 of Eucalyptus trees also sold along with the land.

[xiii] Ex.A3 is the sale dated 20.01.2003, the land is situated in Vallampattla village vide Sy.No.48/3 and the land sold is 0.06cents for the value of Rs.1,46,000/-.

[xiv] It is submitted for the claimants that, Ex.A4 is a sale deed preceded by an agreement of sale dated 22.11.1999 and the land is covered by Sy.No.595/1, Thaduvai Village and the land value is shown @Rs.3,50,000/- per acre. The argument in respect of this document is that

PW5 deposed about the said document and the land value is around Rs.3,50,000/- in the year 1999, whereas the acquisition is in the year 2003. Therefore, there must be increase in price, whereas the argument on behalf of the Land Acquisition Officer/the government is that the land is situated in 15 kilometers in a different village and the values cannot be the basis. In the award, the Land acquisition Officer referred about the valuation of the lands under Part-3 of the award No.14 of 2005, dated 28.2.2005. And in respect of certain lands vide R.S.No. 1/9, 48/3, 107, 158/3, 153/9c etc., the value of the land per acre is much higher than the value fixed by the Land Acquisition Officer.

[xv] (a) RW.1-K.Peddi Raju, the referral officer stated that about the necessity of acquisition, the procedure followed, obtaining of registration statistics in the land value and the consent given by certain land owners for acquisition. His evidence in specific is that acre 105.99 cents of land in R.S.No.1/2, 1/8A,1/9A, 53/5A2 of Vellampatla village of T.Narasapuram are similar in nature. Consent Award was passed paying a lumpsum amount of Rs.1,00,000/- per acre inclusive of all benefits under the Act, in respect of the lands in Ac.63.09 cents. Further, he has stated that the rate fixed for bamboo garden at Rs.2,14,473/- per acre and Rs1,38,171/- per acre for Eucalyptus trees etc., are not justified and they are abnormal. Eucalyptus trees, palm oil plants and coconut plants etc., are not giving any yielding as on the date of notification. Therefore, the claims are in exaggeration. The

transaction shown by the petitioners are covered by small extents and they are purposeful sales with a predetermined idea to get more compensation in anticipation of acquisition. Hence, he is constrained to fix the value @Rs.57,000 per acre and Rs.1,10,000/- and Rs.90,000/- in respect of bamboo Eucalyptus gardens with other statutory benefits.

(b) During the cross examination, RW 1 stated that, he prepared the award. He has recorded the statements of claimants. The lands covered by R.S.Nos.1/2, 1/8A, 1/9b,52/2B, 52/3B,53/5A2,53/5A2, 53/5B, in total 42.70 cents. The lands are red cotton soil, which is good for all commercial crops. While fixing the value one has to consider the sales statistics, income and the rental value of the land. The award is not reflecting the same. As per the award the lands are being cultivated Wet Paddy, palm oil, bamboo garden, coconut, Eucalyptus trees and at the time of inspection the crops were existing in the lands. He did not examine or recorded the statements of any persons concerned with the sales statistics. He do not know whether there is practice to quote lesser prices in order to minimize the stamp duty for sales transactions. The stamp duty will be normally paid on the basis of basic value Register. The basic value at Registrar office is the guidelines to the Registration department and the same is not final for assessing the market value of the lands. He has ignored the value mentioned in Sl.no.4 of 2002 and Sale no.3 of 2003, where the value of the land mentioned @Rs.2,93,500/- per acre and Rs.1,50,00/- per acre respectively. He has

not examined any person relating to Sale No.4 of 2022 and Sale No.3 of 2003. He has not taken into consideration the probable escalation of prices in the area and the District Forest officer gave report for price in respect of bamboo tress @Rs.2,14,473 per acre, but as per the award, @Rs.1,10,000/- per acre is awarded but he did not call for any third party opinion for deferring the value. He did not know whether the oil palm garden got yielding within three years from the date of planting. He do not know how many bunches of fruits will be the yielding to a palm oil tree. He did not consider the income derived per each tree per year and did not inquire about the lifespan of palm oil tree and one has to consider the longitude of the tree and also yielding of each tree. While fixing the value, he has not made any exercise to assess the compensation for coconut tree, also basing on the lifespan and the yield per acre, per annum. He has no idea about the income retched to a coconut tree per annum. He did not prepare any mediator's report at the time of inspection. He has denied the compensation for some coconut plants, because of the age of the plants being under aged. However, admitted that there is no record to show the age of coconut plant. He did not call for the report from the Horticulture department as to age of the plants and whether they deserve any compensation. He has denied the compensation for some of the coconut trees, since they are ripe yielding. He has no personal knowledge about the agriculture.

24. After marshalling evidence, the learned Referral Court found that observations of the learned Land Acquisition Officer are unfounded, incorrect and arbitrary in awarding of compensation @Rs.1,10,00/- per acre for bamboo garden, without taking note of yielding or longevity of the bamboo garden is not correct.

25. Further the evidence of PW.11- Forest Range Officer vindicates that the claimants used to obtain permission for cutting the bamboo plant; the same suggests that there was existence of bamboo plants, as per the DFOs' report the value is Rs.2,14,000/- per acre but the Land Acquisition Officer awarded only Rs.1,10,000/- is arbitrary matter. In respect of Eucalyptus trees garden also awarding Rs.90,000/- per acre by the Land Acquisition Officer, found as baseless by the Referral Court.

26. The referral Court upon considering both oral and documentary evidence, enhanced the following:-

- (a) The land value from Rs.57,000/- to Rs.3,50,000/-.
- (b) Eucalyptus garden from Rs.90,000/- to Rs.2,50,000/- per acre (O.P.Nos.945 and 946 of 2012).
- (c) Bamboo garden from Rs.1,10,000/- to Rs.3,00,000/- per acre (OP.No.947, 948 of 2012)
- (d) Coconut trees from Rs.1415.83 to Rs.3000/- per tree (Commonly for all wherever the trees exists).
- (e) Coco trees 'nil' to Rs.1000/- per tree (O.P.No.944 of 2012)
- (f) Bore well from Rs.82,000/- to Rs.1,00,000/- (o.p.No.944 of 2012)

(g) Palm oil tree from Rs.300/- to Rs.3000/- per tree (Commonly for all wherever the trees exists).

27. The argument in the appeals for the Referral officer, on behalf of the State is that wherever the compensation is awarded for the lands and trees, the enhancement is not necessary, the claimants are entitled for one composition i.e., either for the land if is agricultural land or if it is to be a garden or thope, for compensation on capitalization method, but not for both. Therefore, calculating the compensation for both, Eucalyptus garden and the land, does not arise. For awarding compensation on capitalization method, the annual yield and income from a respective tree are the garden and applying appropriate multiplier is necessary. Clear evidence is not placed before the Referral Court. The Referral officer has awarded compensation both trees and garden in the award itself, therefore, now the argument of the learned Advocate General, appearing on behalf of the State/Special Deputy Collector (LA)/appellant, awarding of compensation on both heads is not acceptable. Since the capitalisation method is not resorted to by recording appropriate evidence, it can be considered that the Land Acquisition Officer on physical inspection and on information, as deposed by him found it proper that the valuation is to be made on both counts in his best judgment. Therefore, the argument that there cannot be valuation on two counts is not acceptable in the facts and circumstances of the present case. Particularly for the reason, the initial award itself is indicating the entitlement for compensation both lands, tree and garden.

Therefore, the scope of enhancement shall be in respect of both and justification thereof. The reasoning adopted by the Referral Court for adopting the enhancement is found logical.

28. Upon considering the evidence, reasoning given by the Referral Court with reference to the evidence on record and also the admissions of the Referral Officer, we are of the considered view that the value fixed in respect of the land as well as the garden of the bamboo and Eucalyptus trees, by the Referral Court found reasonable and does not require any interference. Consequently, the prayer of the claimants for enhancing the compensation as well as the prayer of Referral Officer/State for reduction does not deserve any interference. Point No.1 framed is answered accordingly. Entitlement of the claimants would be for the land @Rs.3,50,000/- per acre and in respect of garden at the rate fixed by the Referral Court in respect of Bamboo end Eucalyptus garden viz., Rs.3,00,000/- and Rs.2,50,000/- respectively.

Point No.4:-

29. The compensation fixed by the Learned Referral Court in respect of Trees and bore well is as follows:-

- 1) Coconut tree @Rs.3,000/- per tree
- 2) Coco Tree @Rs.10000/- per tree
- 3) Palm oil Tree @Rs.3000/- tree

4) Borewell tree @Rs.1,00,000/-

5) Eucalyptus Tree @Rs.1000/- tree

30. In a case between **Petronet CCK limited Vs. ND Additional District Judge**⁹, vide Civil Revision Petition No.100/2012 the Hon'ble Kerala High Court while considering the calculation of compensation with reference to life span of the coconut trees etc., aspects, based on relevant agricultural practices, considered the value of coconut tree @Rs.5000/-.

31. The High Court of Andhra Pradesh in a case between **G.Narayanamma and Special Deputy Collector (LA)**¹⁰ considering the compensation payable to fruit bearing trees, following the precedents of the Hon'ble Apex Court in D.Eswara Naidu & Others Vs. The Special Deputy Collector (LA) in Civil Appeal no.11355 of 2018 fixed the value of pomegranate tree at Rs.3000/- per tree.

32. The evidence of PW.9 shows that in respect of oil palm trees Rs.6500/- was awarded as compensation and he has relied on Ex.A24 and Ex.A25. Likewise the evidence of PW.10 also shows that the compensation was paid to PW.10 in respect of trees under Ex.P26 and Ex.P27. Reference to Ex.P24 show that the value assed by the Revenue Officer @Rs.3,900/- for oil palm tree. These documents are disputed by Referral Officer stating that they are not properly proved.

⁹ 2014 Supreme (online) (KER) 12754

¹⁰ 2025 Supreme (online)(AP)2155: 2025 APHC 9650

33. Upon considering the evidence on record, and the judicial precedents with regard to the payment of compensation for the trees, fruit-yielding trees etc., and geographical conditions of the area now in question, we are of the considered view that –

(i) the compensation payable in respect of coconut trees, can be enhanced to Rs.4000/- as against Rs.3000/- fixed by the learned Referral Court @Rs.3,500/- for the palm oil trees as against the value fixed @Rs.3000/- by the Referral Court.

(ii) in respect of Eucalyptus trees, palm trees, bore wells etc., the value of the fixed by the Referral Court found reasonable and does not require any interference.

(iii) the counting of trees shall be not as per the claim of the claimants but as noted by the Referral officer in the Award. Point no.4 is answered accordingly.

Point No.5:-

34. In view of the above discussion made and the conclusions drawn under points No.3 and 4, -

(i) No merits are found in the appeals filed by the Referral officer. Hence, they are liable to be dismissed.

(ii) In respect of the appeals filed by the claimants, where the coconut trees and palm oil trees are there, the value fixed by the Referral Court require enhancement for coconut trees from Rs.3000/- to Rs.4000/- per tree and for the palm oil trees from Rs.3000/- to Rs.3,500/- per tree.

(iii) Except the enhancement in respect of these two category trees, the award passed by the Referral Court and the decree followed thereof in respect of the other reliefs granted shall stand confirmed.

35. In the result,

[i] I.A.No.1 of 2025 in LAAS No.281 of 2025 is dismissed.

[ii] the appeals filed by the Referral Officer (Land Acquisition Officer) vide LAAS Nos. 281, 282, 283, 284, 285, 286, 287, 289, 290 and 298 of 2018 are dismissed.

[iii] the appeals in LAAS Nos.210, 211, 213, 214, 216, 217, 218, 219, 220 and 223 of 2018 are partly allowed, enhancing the compensation granted in respect of coconut trees from Rs.3000/- to Rs.4000/- per tree and the palm oil trees from Rs.3000/- to Rs.3,500/- per tree.

[iv] The counting of trees shall be not as per the claim of the claimants but as noted by the Referral officer in the Award.

[v] Except the enhancement in respect of the above two categories of trees, the Award and decree dated 29.03.2018 passed by the Referral Court in respect of the other reliefs granted shall stand confirmed.

[vi] There shall be no order as to costs.

As a sequel, miscellaneous petitions pending, if any, shall stand closed.

JUSTICE BATTU DEVANAND

JUSTICE A. HARI HARANADHA SARMA

Date:16 .03.2026

Pnr

THE HON'BLE SRI JUSTICE BATTU DEVANAND
&
THE HONOURABLE SRI JUSTICE A. HARI HARANADHA SARMA

LAND ACQUISITION APPEAL SUIT Nos. 213, 210, 211, 214, 216, 217,
218, 219, 220, 223, 281, 282, 283, 284, 285, 286, 287, 289, 290 & 298 of
2018 And

I.A.No.1 of 2025 in LAAS No.281 of 2018

Dt.16.03.2026

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