

(1989) 05 KAR CK 0015
In the Karnataka High Court
Case No : M.F.A. No. 347 of 1982

Purushotham Pandit Kher

APPELLANT

Vs

Special Deputy Commissioner (Spl. L.A.O.)

RESPONDENT

Date of Decision : 31-05-1989

Acts Referred:

Land Acquisition Act, 1894 — Section 18, 4 (1), 54, 9

Citation : (1989) ILR (Kar) 2042

Hon'ble Judges : Venkatachala, J; Hiremath, J

Bench : Division Bench

Advocate : B.V. Krishnaswamy Rao, for the Appellant; Ajit J. Gunjal, for R-1 and H. Thipperudrappa, for R-2, for the Respondent

Judgement

Venkatachala, J.—This appeal u/s 54 of the Land Acquisition Act, 1894 ("the Act") arises out of and is directed against the award and decree dated 31-10-1980 made in L.A.C.No. 110/1976 by the Court of Principal Civil Judge, Dharwad ("the Reference Court") in a reference brought before It u/s 18 of the Act.

2. Facts giving rise to this appeal are briefly these:

11 acres 30 perguntas of agricultural land comprised In R.S.No. 15 of Dharwad was shown In the Master Plan of Dharwad prepared in the year 1946 as the area earmarked for the establishment of a cattle market. In the year 1964, the Municipal Borough of Dharwad, as it then was, initiated proceedings for acquisition of that land for the establishment of a cattle market in Dharwad. But, the acquisition proceedings so initiated were quashed by this Court on 26-5-1972 in a Writ Petition filed by the owner or the land. However, within a few months thereafter, the owner of the said land, Sanjiv Venkatarao Malapur ("S.V. Malapur"), agreed to sell it along with his adjoining land for Rs. 3,11,000/-to one Purushotham Pandit Kher ("P.P. Kher"), who wanted to get the lands converted from agriculture to non-agriculture, form a lay-out of building sites upon them and sell such sites, under a written Agreement to Sell entered into between them

on 22-8-1972 (Exhibit P-28) which was subsequently registered. A term of that Agreement to Sell provided for payment by the purchaser a sum of Rs. 2,000/- out of the total sale consideration of Rs. 3,11,000/- to the seller at the time of registration of the Agreement and the payment of balance of sale consideration of Rs. 3,09,000/- by the purchaser to seller at the time of execution of the regular sale deed which was to take place one year after the completion of formation of lay-out of sites on the lands. But, well before that Agreement to Sell could fructify into a sale, one of the lands referred to therein, i.e., 11 acres 30 guntas of land in R.S.No. 15 of Dharwad was proposed for acquisition for the purpose of establishment of a cattle market thereon by the Agricultural Produce Market Committee, Dharwad, by issue of a Preliminary Notification u/s 4(1) of the Act published in the Official Gazette dated 21-2-1974, In pursuance thereof, a declaration u/s 6(1) of the Act having been published in the Official Gazette, the Assistant Commissioner and Special Land Acquisition Officer, Dharwad ("the Special LAO"), on 5-3-1974, Issued a notice u/s 9 of the Act to the owner of the acquired land (S.V. Malapur) inviting from him a claim for compensation for that land. The owner who received that notice, wrote a letter dated 25-3-1974 calling upon the Special LAO to issue a notice u/s 9 of the Act to P.P. Kher also inviting from him a claim for compensation for the acquired land, as he had agreed to purchase the land under an Agreement to Sell dated 22-8-1972 (Exhibit P-28). Thereafter, the owner of the land, S.V. Malapur (hereinafter referred to as "the seller-claimant") and P.P. Kher, the person who had agreed to purchase the land under an Agreement to Sell (hereinafter referred to as "the purchaser-claimant") filed before the Special LAO a joint claim petition dated 7-6-1975 (Exhibit P-1) claiming a sum of Rs. 49,19,310/- as compensation payable for the acquired land and seeking Its apportionment in a sum of Rs. 2,35,000/- in favour of the seller-claimant and Rs. 46,84,310/- in favour of the purchaser-claimant. Again, the seller-claimant filed before the Special LAO another application dated 14-7-1975 (Exhibit P-13) clarifying that in view of an agreement of apportionment dated 3-6-1974 (Exhibit P-11) entered into between him and the purchaser-claimant, he would be entitled to get out of the compensation amount only that amount which had to be received by him under the Agreement to Sell dated 22-8-1972 (Exhibit P-28) and not the balance of the compensation amount receivable by the purchaser-claimant. It was also stated in that application that the purchaser claimant would be entitled to get the entire solatium amount because of the Agreement dated 3-6-1974 (Exhibit P-11), even if the value of the land to be fixed by the Special LAO would work out to less than Rs. 500/- pergunta, which was the amount payable to the seller-claimant under the Agreement to Sell (Exhibit P-28). Subsequently, the Special LAO held an enquiry u/s 11 of the Act and made an award dated 17-2-1976 (Exhibit D-3) thereto. Under the said award, he determined the market value of the acquired land in a sum of Rs. 2,84,350/- apart from the value given by him in a sum of Rs. 205/- for two tamarind trees standing on the acquired land. The market value of the land so determined works out to Rs. 606/- pergunta. On that market value of the land, the Special LAO granted 15% solatium which works out to Rs. 42,623-25.

Further, the amount of compensation payable under that award is apportioned between the seller-claimant and the purchaser-claimant on the basis of the application dated 14-7-1975 (Exhibit P-13) of the seller-claimant thus:

Name of the interested party

Amount

1. Sri S.V. Malapur, the owner of the land

Rs.2,35,000/- (at the rate of Rs.500/- pergunta for an area of 11 acres 30 perguntas)

2. Sri P.P. Kher

Rs.49,555-00

(amount In excess of Rs.500/- pergunta for 11A-30G.

Rs.42,683-25

(15% solatium)

Rs.92,238-25

The seller-claimant (the owner of the acquired land), who received the amount awarded to him in the award of the Special LAO, did not make any application u/s 18 of the Act seeking a reference to a Civil Court for award of enhanced compensation. But, the purchaser-claimant (P.P. Kher), who received a sum of Rs. 92,238-25 as his share of the compensation amount under the award, against the sum of Rs. 2,000/- which he had paid under the Agreement to Sell relating to the land, made an application dated 23-2-1976 (Exhibit D-1) before the special LAO seeking a reference u/s 18 of the Act to a Civil Court for award of enhanced compensation for the acquired land which was the subject matter of the agreement to sell (Exhibit P-28). Reference pursuant to that application having been received by the Reference Court and the same having been registered as L.A.C. No. 110/76, on its file, an enquiry is held thereon. In that enquiry, to support his claim for enhanced compensation, the purchaser-claimant has given evidence as P.W.1 and produced, among others, documents - (I) original registered Agreement to Sell dated 22-8-1972 (Exhibit P-28) which had been obtained by him from the seller-claimant for purchase of the acquired land; (II) Agreement dated 3-6-1974 (Exhibit P-11) which provided for apportionment of compensation between him and the seller-claimant; (III) schedule of sale statistics of open sites (Exhibit P-3) whereunder the value of each of the open sites in the neighbourhood of the acquired land was mentioned; and (IV) previous award of the Court (Exhibit P-21) relating to a land in the neighbourhood of the acquired land. As against the said evidence of the purchaser-claimant, the evidence adduced for the Special LAO and the A.P.M.C., Dharwad, for whom the land was acquired, consisted of the evidence of as many as 9 witnesses including that of the seller-claimant (D.W.7) and sale deeds and

other documents relating to transactions of lands in the neighbourhood of the acquired land produced. The Reference Court, on consideration of the said evidence particularly the value at the acquired land as reflected in the Agreement to Sell dated 22-8-1972 (Exhibit P-28) pertaining to that very land entered into between the seller-claimant and the purchaser-claimant, found no warrant for awarding of any enhanced compensation for the acquired land. Accordingly, the Reference Court made an Award and Decree dated 31-10-1980. Feeling aggrieved by the said Award and Decree, the purchaser-claimant has presented this appeal seeking award of enhanced compensation for the acquired land in a sum of Rs. 8,00,000/-.

3. In this appeal, it was urged on behalf of the appellant (purchaser-claimant) that the Reference Court should not have relied upon the value of the acquired land as reflected in the registered Agreement to Sell (Exhibit P-28) pertaining to it entered into between the seller-claimant and the purchaser-claimant., to come to the conclusion that the award of any enhanced compensation for the acquired and was unwarranted. The argument was that the Reference Court should have instead relied upon the values of the sites (building plots) or land in the neighbourhood of the acquired land as reflected in the transactions enumerated by the appellant in the schedule of statistics (Exhibit P-3) as also the sale statistics of open sites referred to by the Special LAO in his award (Exhibit D-3) and awarded enhanced compensation to the acquired land on a comparable basis.

4. On the other hand, it was submitted on behalf of the respondent in the appeal - the Special LAO and the A.P.M.C., Dharwad, that in the facts and circumstances of the case, the Reference Court was fully justified in placing reliance on the registered Agreement to Sell dated 22-8-1972 (Exhibit P-28), to which the purchaser-claimant (appellant) was a party, as reflecting the value of the acquired land inasmuch as it furnished the best evidence of the market value of the acquired land at the time it was proposed for acquisition. It was also submitted that where there was a genuine transaction relating to the acquired land, which reflected the value of such land at about the time of its acquisition, the Reference Court had to inevitably rely upon the value furnished by such transaction in determining the market value of the acquired land, instead of relying upon the values reflected in the transactions pertaining to sites (building plots) or other lands in the neighbourhood of the acquired land for determining its (acquired land's) market value on a comparable basis.

5. If regard is given to the said arguments of opposing Counsel, the general question which needs an answer at the outset is, whether the Reference Court would be justified in placing reliance on an agreement to sell relating to an acquired land to which the claimant was a party, as reflecting its market value, instead of relying upon the value of sites or lands in the neighbourhood of the acquired land as reflecting the value of each of them for determining the market value of the acquired land on a comparable basis.

6. The price paid under a bonafide transaction of purchase of the very land

acquired in about the time of its acquisition, could form the basis for determining its market value under the Act, cannot now be doubted (See: S.L.A.O. v. T.A. SHETTY). Then, where there is a bonafide and genuine transaction which has come into existence in relation to an acquired land near about the time of the publication of the Preliminary Notification respecting it reflecting its value and where there are other transactions of lands in the neighbourhood of the acquired land reflecting their value at about the same time, which of them should be relied upon by the Reference Court in determining the market value of the acquired land under the Act, arises for consideration. When the Supreme Court had an occasion to deal with this aspect of the matter in DOLLAR COMPANY v. COLLECTOR, MADRAS, it has ruled in that decision thus:

"When decisive evidence of the market value of the land compulsorily acquired is unavailable you seek light from comparable neighbourhood."

Again, In the same Decision, while dealing with the very aspect of the matter in a greater detail with reference to the facts of the case there, the Supreme Court has observed thus:

"We may even say that the best evidence of the value of the property is the sale of the very property to which the claimant is a party. If the sale is of the recent date, then all that need normally be proved is that the sale was between a willing purchaser and a willing seller, that there has not been any appreciable rise or fall since and that nothing has been done on the land during the short interval to raise its value (See: Parks' Principles and Practice of Valuations Page 29 - Eastern Law House, Calcutta, - 4th Edition, 1970). But, if the sale was long ago may be the Court would examine more recent sales of comparable lands as throwing better light on current land value. Instead of wandering around neighbouring lands or guessing as to what the price of the disputed land might have been, we have before us the actual purchase of the suit property by the appellant himself and he has not set up any case of special features or circumstances depressing the land value or affecting the particular transactions so that one could ignore that sale as the product of artificial circumstances. We have thus a situation where the law should express a Judgment from the experience of the appellant himself as against a Judgment from speculation based on other transactions."

It may be mentioned here that the Supreme Court, in RAGHUBANS NARAIN SINGH v. THE UTTAR PRADESH GOVERNMENT, THROUGH COLLECTOR OF BILNOOR, expressed the view that the valuation of an acquired land made by the District Judge on the evidence of a price genuinely offered by a person for its purchase was on a better footing than ascertaining its value by having resort to a method of valuation not always adequate. In that decision, the Supreme Court has referred with approval to the case of GOVERNOR GENERAL IN COUNCIL v. GHIASUDDIN wherein it was held that an agreement to sell is a relevant matter and can be used in relation to fixing the value of an acquired land. Further, the Supreme Court, in its subsequent decision in KUNDAN SINGH v. STATE OF

PUNJAB, has reiterated its earlier view in the matter and ruled thus:

"There cannot be any doubt that the best evidence of the market value of the acquired land is afforded by transaction of sales in respect of the very acquired land provided, of course, there is nothing to doubt the authenticity of the transactions."

It cannot escape our notice that long before, while dealing with the evidentiary value to be attached to a purchase transaction of a claimant relating to an acquired land, Macleod, C.J., in *FRENCHMAN v. ASSISTANT COLLECTOR* had said:

"But for whatever reasons the claimant bought the property in 1918, there can be no doubt that that was a purchase by a willing seller, and it is, in the first place, direct evidence of the market value of the property in July 1918."

From a conspectus of the above decided cases dealing with the evidentiary value of transactions of sale relating to an acquired land, we are not left in doubt that a Reference Court would be fully justified in relying upon a bonafide, genuine and authentic transaction of an agreement to sell entered into by the claimant for purchase of the very acquired property, as reflecting its market value, instead of relying upon the transactions of sites or lands in the neighbourhood of the acquired land as furnishing proper criteria for determining its (acquired land's) market value on a comparable basis.

7. The next point, which arises for our decision, is whether the Agreement to Sell (Exhibit P-28) pertaining to the acquired land, to which the appellant (purchaser-claimant.) was a party, could have been regarded by the Reference Court as a bonafide, genuine and authenticated transaction which reflected the market value of the land covered by it, with reference to the date of its coming into existence.

Bonafide and genuine nature of the transaction (agreement to sell - Exhibit P-28) entered into between the seller-claimant and the purchaser-claimant (appellant) for the sale of the acquired land is undisputed. Indeed, even in Ground No. 37 of the appellant's Memorandum of Appeal, it is urged that the Agreement to Sell (Exhibit P-28) under which the appellant (purchaser-claimant) had agreed to purchase the acquired land, was a bonafide transaction. It is this very transaction which is relied upon by the appellant to claim compensation for the acquired land. The appellant, who stated in his evidence, that on 22-8-1972, the seller-claimant sold the acquired land along with another land in his favour, invites reference to Exhibit P-18, the certified copy of the original registered Agreement to Sell (Exhibit P-28) as that transaction. Then, the seller-claimant, who is examined as D.W.1, while referring to the original registered Agreement to sell, states that he has executed that document and its contents are true. Thus, when the parties to the Agreement to Sell have spoken to its bonafide nature and to the truth of its contents, we have no hesitation in holding that the Reference Court was fully justified in regarding it as a bonafide, genuine and authenticated transaction, which reflected the prevailing market value of the land concerned by

it with reference to the date of its coming into existence.

8. What now needs an examination and decision is the matter relating to the market value of the acquired land as on the date of publication of the Preliminary Notification. The Agreement to Sell (Exhibit P-28) and the evidence of parties to that agreement since throw sufficient light as to what could be regarded as the proper market value of the acquired land as on the date of publication of the Preliminary Notification u/s 4(1) of the Act respecting it, we shall refer to the same and express our view thereon.

In the preamble to the Agreement, It is recited that the lands agreed to be sold therein were being sold having regard to the rise in the market price of such lands and the price offered for the purchase of the said lands at the rate of Rs. 500/- pergunta aggregating to a sum of Rs. 3,11,000/- was the highest representing the prevailing market value of such lands in their existing condition. Then, the terms stipulated in that agreement Included"-

(i) that the seller had to sign all papers required by the purchaser In obtaining conversion of the lands from agriculture to non-agriculture and to develop the lands by formation or a lay-out of building sites;

(ii) that the purchaser had to bear all moneys to be spent for the conversion of the lands from agriculture to non-agriculture and in developing them by forming a lay-out of building sites;

(iii) that the seller had executed a power-of-attorney in favour of the purchaser needed for obtaining conversion of the land from agriculture to non-agriculture;

(iv) that one year after the formation of the lay-out of building sites on the lands, the purchaser could obtain from the seller a regular sale deed and get it registered, on the happening of which event possession of the land had to be handed over to the purchaser;

(v) that the purchaser while had to pay a sum of Rs. 2,000/- out of the sale consideration of Rs. 3,11,000/- on the date of registration of that agreement, the balance amount of Rs. 3,09,000/-was liable to be paid only at a future time when the regular sale deed had to be registered;

(vi) that the expenses of the registration of the sale deed had to be borne equally by the seller and the purchaser.

It becomes plain from the very recital in Exhibit P-23 adverted to above that the market value of the land as on the date it was agreed to be sold, was Rs. 500/- pergunta. From the terms of the said "Agreement, what becomes obvious is that the seller-claimant had agreed to receive hardly Rs. 2,000/- out of the sale consideration under that Agreement on the date of its registration while he had agreed to receive the balance of sale consideration from the purchaser-claimant (appellant) one year subsequent to the formation of the layout of building sites preceded by its conversion from agriculture to non-agriculture. This circumstance

itself, in our view clearly establishes that the market value of the acquired land, according to the seller-claimant and the purchaser-claimant, was not only Rs. 500/- pergunta at the time of the Agreement to Sell, but also at a future time of not being earlier than two years when almost the entire amount of sale consideration would have fallen due for payment. Since the land concerned in the Agreement to Sell had been acquired on 12-2-1976 within a period of just about an year and a half from the date of the Agreement to Sell (Exhibit P-28). It necessarily follows that the parties to the Agreement to Sell had estimated the value of the land as on that date also at Rs. 500/- pergunta. Besides, from the terms of the Agreement to Sell, adverted to above, it also becomes obvious that the land which became subsequently the subject matter of acquisition, was agreed to be sold for the price mentioned therein keeping in view its potentiality for being laid out into building sites. In fact, admittedly, no conversion of land was obtained by the purchaser-claimant from agriculture to non-agriculture as had been contemplated In the Agreement (Exhibit P-28) and no improvement was made on the land for purposes of making it into a lay-out by investing any money before the date of the publication of the Preliminary Notification for acquisition. This is what the appellant (purchaser-claimant) in his evidence has said with regard to the acquired land as it stood on the date of his evidence - "The area proposed to be converted into non-agriculture land under Exhibit P-27 (proposed plan of lay-out of building sites in the acquired land) is not yet accorded permission to convert into a non-agricultural plot. After agreement with Mr. Malapur (seller-claimant), I have not invested any money regarding the development of the land under Exhibit P-27. Out of the land, 8 acres 37 guntas are dry lands, 2 acres 26 guntas are wet lands and 7 guntas are pot kharab area. There was a tank on the West shown in Exhibit P-27. But, it was a small tank." This evidence makes it manifest that the condition of the acquired land as on the date of Its Agreement continued to be the same as on the date of the Preliminary Notification. The contents of the Agreement as also non-change of the condition of the land from the date of Agreement to Sell till the date of the publication of the Preliminary Notification make us think that there was no rise in the market value of the land between the date of the Agreement to Sell and the date of the publication of the Preliminary Notification, it has to be pointed out that it is also not the case of either the seller-claimant or the purchaser-claimant that the value of the acquired land fixed in the Agreement to Sell was a depressed one nor any changes had taken place in the Intervening period with reference to the acquired land as had resulted in appreciation of its value as on the date of the publication of the Preliminary Notification. Taking the over-all view of the said matters, we consider that the value of the acquired land in Its existing condition as reflected in the Agreement to Sell dated 22-8-1972 (Exhibit P-28) was Its just and correct market value not only on the date of the Agreement to Sell but also on the date of the publication of the Preliminary Notification.

9, However, an attempt was made by the learned Counsel for the purchaser-claimant (appellant) to impress upon us that the highest value fetched in the

transactions of neighbouring plots of the acquired land, as referred to In the award, should have been made by the Reference Court, In any event, the basis to determine the market value of the acquired land. This attempt, in our view, cannot succeed, in that, the Award of the Special LAO could only be the evidence of the offer of compensation made therein and not the evidence of the material referred to therein. Moreover, the price of building plots situated in the neighbourhood of the acquired land cannot become automatically the price of the acquired land. The only way In which the value reflected in transactions relating to building plots in the neighbourhood of the acquired land could be made use of, is to treat the acquired land as converted for building purposes, assume the existence of building plots on the acquired land under a hypothetical scheme of building sites and find out the value to be fetched therefrom as if they could be sold at prices at which neighbouring plots were sold. Then, out of such amount, deduction has to be made towards factors, such as, the land needed for roads, drains and for providing other amenities and for the conversion and development charges and allowance for the period of waiting to obtain demand for sale of such plots. Such process, Involving a lot of guess work and speculation, which has to be inevitably followed, cannot be resorted to, as pointed out earlier, when a genuine, bonafide and authenticated transaction relating to the acquired land reflecting its value in the existing condition as on the date of transaction as also on the date of the publication of the Preliminary Notification, is available. For the same reason, the further attempt made on behalf of the appellant that atleast the value of plots in the neighbourhood of the acquired land as indicated in the schedule of sale statistics (Exhibit P-3) and other documents produced should be accepted for determining the market value of the acquired land, cannot also succeed. Then, if we give due regard to the fact that the appellant (purchaser-claimant), who had paid hardly Rs. 2,000/- for the acquired land, had got a sum of Rs. 92,000/- as compensation under the award of the Special LAO but is still persisting in getting enhanced compensation, we cannot help thinking that his case is the one which squarely attracts the following criticism made by the Supreme Court against the appellant in Dollar Company"s case (supra):

"An actual transaction with respect to the specific land of recent date is a guide-book that Courts may not neglect when called upon to fix the precise compensation. Viewed from a slightly different aspect, it is but fair-that compulsory land acquisition while assuring a just equivalent should not be converted into an avaricious windfall. Can an owner who bought the land at Rs 400/- per ground and laid out a little more money on it, grouse on the score of inadequate or unjust recompense, if within, a year after his own purchase he is paid by the State 400% of what he spent for the identical land? Neither morality nor legality is violated in such a case; for even a black-marketeer"s bosom may not be uneasy at the prospect of such a fortune which he could not have bargained for when he became the owner of the land some months before. It is the duty of the State or Federal Government in the conduct of the inquest by which Compensation is ascertained, to see that it is just, not merely to the

individual whose property is taken, but to the public which is to pay for it All things considered, the appellant stands self-condemned by his own deed of purchase."

10. In the aforesaid view of the matters, we are unable to think that the market value of the acquired land could be determined as on the date of the publication of the Preliminary Notification at a rate in excess of Rs. 500/- pergunta. Since the market rate of the acquired land fixed by the Special LAO in his award u/s 11 of the Act works out to Rs. 606/- pergunta, no question of granting to the appellant (purchaser-claimant) any enhanced market value for the acquired land, could arise.

11. What now remains for consideration is the entitlement of the appellant (purchaser-claimant) to the benefits under the provisions of the Act as amended by Central Act No. 68 of 1984 since the appeal is being disposed of after the coming into force of the amended provisions of the Act.

12. On behalf of the respondent, the Land "Acquisition Officer, and the Authority for whose benefit the land in dispute had been acquired, It was contended that the appellant (purchaser-claimant) would not be entitled to such benefits since he, as an intending purchaser of the land, could not have got a reference made to the Civil Court by making an application u/s 18 of the Act and consequently he could not have filed an appeal against the award and decree of the Reference Court. We find it difficult to accept the said contention urged on behalf of the respondent for the reasons which we shall presently state.

13. The purchaser-claimant is the person in whose favour the acquired land had been agreed to be sold by the seller-claimant along with another land under Agreement to Sell dated 22-8-1972 (Exhibit P-28). That Agreement to Sell discloses that out of the price fixed by the parties for the lands agreed to be sold thereunder a sum of Rs. 2,000/- was to be paid by the purchaser-claimant to the seller-claimant on the date of its registration and the balance of the price was to be paid on a future date when the actual sale deed to be executed by the seller-claimant was to be registered. In answer to notice issued u/s 9 to the seller-claimant, an application dated 25-3-1974 (Exhibit P-12) is given by him to the Special LAO stating, inter alia, that pursuant to the Agreement to Sell dated 22-8-1972 (Exhibit P-28) executed by him in favour of the purchaser-claimant that the latter was entitled to receive the compensation amount payable for the land. Thereafter, a joint Claim Petition dated 7-6-1975 has been made before the Special LAO claiming compensation for the acquired land. In that Claim Petition, it is stated that the seller-claimant shall be entitled to get from the compensation amount payable for the acquired land only that amount which was liable to be paid to him for the acquired land by the purchaser-claimant under the Agreement to Sell dated 22-8-1972 (Exhibit P-28) and the purchaser-claimant would be entitled to get the balance of compensation amount. When the Award was made u/s 11 of the Act, the Special LAO ordered apportionment of the compensation amount as was agreed to between the parties under the Claim

Petition filed by them. As the amount payable to the seller-claimant was paid according to the Claim Petition, he did not seek a reference for enhanced compensation. The purchaser-claimant since was entitled to all the amount of compensation payable for the land in excess of what was agreed to be paid to the seller-claimant, he sought for a reference u/s 18 of the Act for enhanced compensation. It is that reference which was enquired into by the Reference Court and decided upon. From what has been stated above, it becomes obvious that the purchaser-claimant had an Interest in the amount of compensation payable for the acquired land. Section 18(1) of the Act enables a person who had interest In compensation amount payable for the acquired land to make an application to the LAO requesting him to refer the matter to a Civil Court If he has objections to the amount of compensation. The purchaser-claimant had, therefore, sought for reference to be enquired Into and decided upon by the Reference Court and very rightly. The position would be the same when he has filed the appeal not being satisfied with the award of the Reference Court In the matter. Hence, the appeal cannot be said to be unmaintainable. Consequently, the appeal of the purchaser-claimant though cannot succeed as to enhanced market value of the acquired land sought, has to succeed to the extent of the appellant's entitlement for additional benefits under the amended provisions of the Act.

14. In the result, we allow this appeal partly and modify the Award and Decree of the Court below by granting 30% solatium on the market value of the acquired land, Instead of 15% solatium granted, and granting an amount of 12% per annum on the market value of the acquired land from the date of the Preliminary Notification till the date of Award or the date of taking possession of the acquired land, whichever is earlier. On the enhanced solatium and the other amount now granted, the appellant (purchaser-claimant) would be entitled to Interest at 9% per annum during the first year of non-payment and at 15% per annum during subsequent years of non-payment. However, the additional benefits now granted shall be subject to the result of the review petition in Bhag Singh and Others Vs. Union Territory of Chandigarh through the land acquisition collector, Chandigarh, pending before the Supreme Court ILR 1989 KAR 1945.