
(2025) 11 AP CK 0015
In the Andhra Pradesh High Court
Case No : Writ Appeal No: 527, 615 Of 2025

Siram Kiran Naidu

APPELLANT

Vs

State Of AP & Ors

RESPONDENT

Date of Decision : 14-11-2025

Acts Referred:

Land Acquisition Act, 1894 — Section 4(1), 34, 48, 48(i)

Citation : (2025) 11 AP CK 0015

Hon'ble Judges : R Raghunandan Rao, J; Subhendu Samanta, J

Bench : Division Bench

Advocate : P Rama Sharana Sharma, Somisetty Ganesh Babu

Final Decision : Dismissed

Judgement

R Raghunandan Rao, J

1. As the issues raised in both these Writ Appeals are one and the same they are being disposed of by way of this Common Judgment.

2. Sri S.L.R. Naidu, was the owner and possessor of about 10 acres of land, in Visakhapatnam Town. An extent of Ac.8.00 of land was acquired by the Government for widening of a road, in Visakhapatnam Town. This land had been given to the Government without any compensation being given to the owner of the land. Subsequently, the remaining land of Ac.2.15582 sft, which had devolved upon the ten sons and three daughters of Sri S.L.R. Naidu, after his demise, was also sought to be acquired by the Town Planning Trust, Visakhapatnam, in its resolution, dated 24.05.1975. A draft notification under Section 4(1) of the Land Acquisition Act, 1894 [for short "the Act, 1894"], dated 20.03.1978, was issued and the acquisition proceedings culminated in an award No.3 of 1982, dated 20.02.1982. It appears, from the record, that possession of the land was also taken over. This acquisition process, was disputed by the legal heirs of Sri S.L.R. Naidu on various grounds including the ground that the compensation fixed for the said land was paltry and that the said land was not

necessary for any development actives. The legal heirs of Sri S.L.R. Naidu had, in this regard, also approached the erstwhile Common High Court by way of W.P.No.3555 of 1980, which came to be dismissed.

3. The Government, for the reasons, set out therein, issued G.O.Ms.No.156, dated 25.02.1982, cancelling the acquisition of the land and setting aside the award, dated 20.02.1982. However, this G.O was cancelled, by way of G.O.Ms.No.714, dated 11.11.1983 and the acquisition proceedings were sought to be reinstated. This G.O, reinstating the land acquisition proceedings, was challenged by way of W.P.No.11326 of 1983 and came to be allowed, on 25.04.1984. The Writ Appeal preferred, by the Government against this Order, by way of W.A.No.1081 of 1984 was dismissed, on 01.02.1989. After the dismissal of the Writ Appeal, the Government issued G.O.Ms.No.121, dated 27.02.1990, dropping the acquisition proceedings, with a direction, to the Collector, Visakhapatnam, to return the possession of the land to the owner. After a period of eight years, the Government again issued G.O.Ms.No.222, dated 30.04.1998, cancelling G.O.Ms.No.121, dated 27.02.1990 and reinstating the acquisition proceedings. The owners of the land moved the erstwhile High Court of Judicature, Andhra Pradesh at Hyderabad, by way of W.P.No.14818 of 1998, against the said order, reinstating the acquisition process. This Writ Petition came to be allowed, on 13.11.1998 and the said G.O was quashed. Writ Appeal No.2312 of 1998, filed against this Order was dismissed on 27.02.2002. In a parallel proceeding, the owners of the land filed W.P.No.6300 of 1999, for recovery of the possession of the said land. This Writ Petition was dismissed on 08.06.1990. However, the Writ Appeal No.1074 of 1999 filed against this order was allowed, on 27.02.2002 with a direction to the respondents to deliver possession of the land to the petitioner therein.

4. The Government filed Civil Appeal Nos.1665 & 1666 of 2004, against the Judgments of the Division Bench, in W.A.Nos.2312 of 1998 and 1074 of 1999. These two appeals were allowed by the Hon'ble Supreme Court of India, on 22.02.2006, with a direction to the Government to consider the representation of the owners of the land as well as VUDA as to whether the land should be acquired or not and whether the G.O.Ms.No.121, dated 27.02.1990, should be cancelled or not.

5. The Government again issued G.O.Ms.No.314, dated 18.05.2009, decided to withdraw from the acquisition of the land, under Section 48(i) of the Act, 1894. However, the Government continuing its series of flip-flops, again issued G.O.Ms.No.515 of 2009, cancelling the earlier orders issued in G.O.Ms.No.314. The owners of the land again moved the erstwhile High Court of Judicature, Andhra Pradesh at Hyderabad, by way of W.P.No.17249 of 2009, which came to be allowed. Both the Government and VUDA had filed Writ Appeal Nos.475 & 1455 of 2011, respectively against the orders of the Learned Single Judge, in W.P.No.17249 of 2009. These Writ Appeals came to be dismissed by a common order, dated 24.01.2012. The Government carried the matter to the Hon'ble

Supreme Court of India, by way of Civil Appeal No.5377 of 2016, which came to be allowed, setting aside the Judgment of the Division Bench, dated 24.01.2012.

6. At that stage, the appellants herein moved W.P.No.6684 of 2018 before the erstwhile High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh, which came to be disposed of by a Learned Single Judge of this Court, on 24.07.2024. In this Writ Petition, the appellants sought a direction to the respondents to fix a fair price of the market value prevailing as on the date of confirmation of the acquisition, as per the Orders of the Hon'ble Supreme Court of India, in Civil Appeal No.5377 of 2016, dated 29.06.2016. The case of the appellants was that there was no finality to the proceedings till a decision of the Hon'ble Supreme Court of India, in June-2016. It is contended that in view of the uncertainty of the proceedings, the appellants could not have moved the appropriate forum for enhancement of compensation and that the compensation of Rs.50 per sq yard, given in the award, is a miniscule part of the market value of the land as of June-2016.

7. This relief, sought by the appellants, was resisted by the acquisition authorities on the ground that the acquisition process had been completed and an award was also passed way back, in 1982 itself and that the compensation payable, under the said award, was also deposited in the Court inasmuch as the owners of the land had not come forward to receive the said compensation and had not filed their claims for apportionment of the compensation amount.

8. The Learned Single Judge, while holding that the acquisition process has been completed and cannot be reopened for a fresh assessment, of the compensation payable to the appellants, had held that it would only be equitable that the respondents pay @15% per annum on the awarded amount, together with the interest of 15% as per Section 34 of 1894 Act exclusive of the interest ,if any, accrued on the amount deposited in the Court, from the date of actual deposit, on 25.02.1982, till the date of orders of the Apex Court passed, in Civil Appeal No.5377 of 2016 i.e. 29.06.2016.

9. Aggrieved by this order, the writ petitioners have moved W.A.No.527of 2025 and VUDA has moved W.A. No.615 of 2025. The Writ petitioners contend that the Learned Single Judge should have allowed the Writ Petition as the petitioners could not agitate their claim for proper compensation, on account of the continuous flip flops of the State, regarding the status of the acquisition itself. It is contended that the assurance of the State, that the acquisition proceedings would be withdrawn, had held the hands of the petitioners and the State cannot behave like a private person and take advantage of it's own broken promises. The Learned Advocate General, on the other hand, would contend that the Learned Single Judge, having held that the acquisition process cannot be reversed, ought not to have awarded interest. He would also contend that there is no provision for award of such interest.

10. The Hon'ble Supreme Court of India in its Order, dated 29.06.2016, had held

that the land had vested in the State and the acquisition proceedings cannot be withdrawn, under the provision of Section-48 of the Act, 1894, inasmuch as the possession of the land had already been taken by the authorities. In view of the said finding of the Hon'ble Supreme Court of India, this Court, which is bound by said Judgment, cannot issue any direction for fixation of a fresh compensation, based on a market value of the land, in the year 2016.

11. As far as the direction of the Learned Single Judge, for grant of interest is concerned, this Court is in agreement with the view of the Learned Single Judge, that the continuing ambiguity about the acquisition process and the manner in which the acquisition process was being upheld and withdrawn, by way of repeated Government Orders, would entitle the appellants, to grant of interest, by treating the period up to the Judgment of the Hon'ble Supreme Court of India, dated 29.06.2016, as a period for which there was no deposit of compensation or offer to pay such compensation.

12. In the circumstances, these Writ Appeals are dismissed. There shall be no order as to costs.

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