

(2025) 03 AP CK 0428

In the Andhra Pradesh High Court, Amaravati

Case No : Writ Appeal No: 66 Of 2024

Special Collector And Others

APPELLANT

Vs

Gorla Yerikalaiah And Others

RESPONDENT

Date of Decision : 25-03-2025

Acts Referred:

Land Acquisition Act, 1894 — Section 4(1), 11(2), 18

Citation : (2025) 03 AP CK 0428

Hon'ble Judges : R Raghunandan Rao, J;K Manmadha Rao, J

Bench : Division Bench

Advocate : S Lakshminarayana Reddy

Final Decision : Allowed

Judgement

R. Raghunandan Rao, J

1. Heard learned G.P. for Land Acquisition appearing for the appellants and Sri S. Lakshmi Narayana Reddy, learned counsel appearing for respondents.

2. The land of the respondents herein, along with certain structures, had been acquired under the provisions of the Land Acquisition Act, 1894 (for short 'the 1894 Act'), on the basis of a notification issued under Section 4(1) of the 1894 Act, dated 01.10.2005.

3. The respondents had earlier filed W.P.No.24288 of 2005 challenging the notification issued under Section 4(1) of the 1894 Act on the ground that certain structures, situated on the land of the respondents, had not been set out in the notification. This writ petition was disposed of with a direction to the Acquisition Authorities to note down and consider the physical features of the permanent structures. Pursuant to these directions, an inspection was carried out by an Empowered Committee, which enumerated the structures which were situated on the land of the respondents.

4. Thereafter, the value of the structures was also included and an award was

passed on 31.07.2006 and the compensation, payable under the award, was received by the respondents. Thereafter, the respondents herein, approached the land acquisition authorities with a contention that the value of the structures was fixed on the basis of the SSR rates prevailing in the year 2002-2003 while Section 4(1) notification itself had been issued in the year 2005 and the value of the structures should have been calculated on the basis of the SSR rates prevailing in the year 2005.

5. This request is said to have been rejected by endorsement dated 16.07.2014 and 22.04.2015. Aggrieved by this endorsement and the stand of the acquisition authorities that compensation would not be calculated on the basis of the SSR rates for the year 2005, the respondents approached this Court by way of W.P.No.12993 of 2017. A learned Single Judge of this Court by judgment, dated 21.11.2022, had allowed the writ petition holding that the respondents were entitled for compensation for the structures as per the standard scheduled rate prevailing as on the date of issuance of Section 4(1) notification, i.e., 29.09.2005.

6. The State being aggrieved by the said judgment has filed the present appeal. The contention of the appellants is that the award, dated 31.07.2007, was a consent award and consequently the respondents could not have sought additional compensation by obtaining a revision of the value of the structures.

7. Sri S. Lakshmi Narayana Reddy, learned counsel appearing for the respondents would contend that the consent given by the respondents was only to the extent of consenting to the amount in the award and such consent would not extend to placing a bar on the respondents from claiming additional compensation.

8. Apart from the aforesaid contention, the learned counsel relies upon the judgment cited by the learned Single Judge in *State of Karnataka and Anr., vs. Singappa Dyavappa Biradar and Ors.*, (2005) 4 SCC 264.

9. It is settled law that compensation under the Land Acquisition Act, 1894 is to be calculated on the basis of the market value of the property as on the date of publication of the notification issued under Section 4(1) of the Act. It appears that the valuation was done on the basis of the SSR rates of the year 2002-2003 while the notification was issued in 2005. In the normal course, the respondents would have been entitled to claim enhanced compensation. However, in the present case, the respondents had entered into an agreement with the Land Acquisition Officer giving an undertaking that additional compensation would not be claimed and consenting to the award passed by the Land Acquisition Officer, on the basis of 2002-2003 SSR rates.

10. In the case of *State of Karnataka and Anr., vs. Singappa Dyavappa Biradar and Ors.*, lands were acquired from the land holders on the basis of negotiations with regard to the price of the lands and consent awards were passed on the basis of such negotiations. The land holders, after receiving the compensation, moved applications for reference under Section 18 of the 1894 Act, for enhanced

compensation. This application was rejected by the Collector and writ petitions were filed against such order of rejection. The writ petitions were dismissed by the learned Single Judge holding that such a reference would be impermissible. The Division Bench of the High Court reversed the order of the learned Single Judge. An appeal was filed before the Hon'ble Supreme Court against the order of the Division Bench. The Hon'ble Supreme Court, after considering the provisions of the 1894 Act, had held that no reference for enhanced compensation can be made after a consent award had been passed. A Division Bench of this Court, in similar circumstances, following the aforesaid judgment of the Hon'ble Supreme Court and the judgment of the Hon'ble Supreme Court in *State of Gujarat and Ors., vs. DayaShamji Bhai and Ors.*, (1995) 5 SCC 746, held that no further claim for compensation can be made once a consent award has been agreed by the land holders under Section 11(2) of the 1894 Act. There is no dispute that the award, in the present case, is a consent award, though Sri S. Lakshminarayana Reddy disputes the scope of consent.

11. In the circumstances, the writ appeal is allowed. There shall be no order as to costs. As a sequel, pending miscellaneous applications, if any, shall stand closed.