
(1992) 03 AP CK 0015

In the Andhra Pradesh High Court

Case No : A.S. No's. 1936 and 2880 of 1989

Vasireddi Bharata Rao and Another

APPELLANT

Vs

Revenue Divisional Officer

RESPONDENT

Date of Decision : 30-03-1992

Acts Referred:

Land Acquisition Act, 1894 — Section 18, 23, 28A, 4(1)

Citation : (1992) 1 ALT 591 : (1992) 1 APLJ 372

Hon'ble Judges : Iyyapu Panduranga Rao, J;G. Radhakrishna Rao, J

Bench : Division Bench

Advocate : M. Chandrasekhara Rao, A. Rajendra Prasad, in A.S.No. 1936/89 and N. Rajeswara Rao, for Meherchand Nori, in A.S.No. 2880/89, for the Appellant; The A.G., for the Respondent

Judgement

G. Radhakrishna Rao, J.—These two appeals arise out of O.P.No. 461 of 1985 on the file of the Court of the Principal Subordinate Judge, Guntur, dated 30th June, 1989 by which the learned Subordinate Judge confirmed the market value of the land acquired at Rs. 50,000/- per acre as fixed by the Land Acquisition Officer, Guntur, in his award No. 5/85 dated 1-10-1985 as against the claim of Rs. 9,68,000/- per acre. The claimants are the appellants herein.

2. A total extent of Ac.2-60 cents comprising of Ac.1-22 cents covered by S.NO. 164/2A belonging to one M.S. Narayanacharyulu, a retired District Judge and Ac.1-38 cents covered by S.NO.165/3A2 belonging to Vasireddy Bharatha Rao, situate in Koritipadu village of Guntur Mandal, was sought to be acquired for the purpose of construction of water works reservoir by the Guntur Municipality. Both these Survey Numbers are abutting Guntur-Amaravathi road on one side and by a Donka on the other side separated by S.Nos. 159 and 162. Amaravathi road is a main road. The site that is acquired is facing donka but not the main road. On the other side of donka, S.No. 159 M.S. Narayanacharyulu. According to the said Kollipara Rajeswara Rao, these three persons sold away 1-22 cents of land to him under the agreement dated 11-2-1984. He also filed W.P.no.3533 of 1983 in the

High Court and obtained stay of further proceedings pursuant to the Notification. However, the claim of Kollipara Rajeswara Rao has been rejected and award has been passed in 1985 granting compensation at Rs. 50,000/- per acre. During the enquiry into the award proceedings, sales statistics numbering 9 have been filed and out of them, six transactions are of April, 1982 in S.No. 159. They are all small extents and the rate was ranging between Rs. 20/- and Rs. 30/-per sq. yard. Two transactions are of May, 1980 in S.No. 187. One is 96 1/2 sq.yards at Rs. 26/- per square yard and another is 257-5/7 sq. yards at Rs. 25/- per sq.yard. The other transaction is in June, 1981 in S.No. 187. The extent is 125 square yards at Rs. 30/-per sq. yard.

3. The Land Acquisition Officer has also relied upon an earlier award No. 23/76 dated 21-9-1976 passed by him in connection with the acquisition of Ac.2-43 cents is S.No. 165/3 of Koritipadu village which is part of the land proposed for acquisition for provision of house sites to the persons belonging to Schedule Caste and the market value was fixed at Rs. 10,000/- per acre. On reference the Civil Court enhanced the same to Rs. 30,000/- per acre in O.P.No. 183/78 dated 15-10-1979. As the Civil Court fixed, the Value of the land at Rs. 30,000/- per acre in the year 1979, giving a margin, the Land Acquisition Officer awarded Rs. 50,000/- per acre to the lands acquired. The matter was referred to the Civil Court u/s 18 of the Land Acquisition Act at the instance of the claimants.

4. Before the Civil Court, on behalf of the claimants, Ambati Remaiah the 1st claimant was examined as P.W.1 and the 2nd claimant Dr.Y. Bharatharao was examined as P.W.3. One Yetigadda Anjireddy, who was the attestor of Exs.A-1 and A-2 was examined as P.W.2. On behalf of the claimants four documents were marked. Exs.A-1 and A-2 are the registration extracts of the sale deeds dated 1-2-1982 executed by Karasani Veerareddy in favour of Chittepuri Balamma and Yetigadda Vijaya respectively. Ex.A-3 is a combined sketch of D.Nos. 164 and 165. Ex.A-4 is the certificate issued by the District Registrar, Guntur dated 23-6-1988 showing the market value of the land in S.No. 165/3 of Koritipadu village at Rs. 100/- per square yard as on 9-9-1982. On behalf of the Referring Officer no one was examined and no document was marked.

5. The learned Subordinate Judge after considering both oral and documentary evidence and after referring the well settled principles laid down by the Supreme Court as well as this Court, came to the conclusion that the sale deeds Exs.A-1 and A-2 show that S.Nos. 163 and 164 are one block and out of it very small extents of land were sold to these vendees and these two sale deeds were of the same day by the same vendor for purpose of house sites and hence they cannot be taken into consideration. He has also observed that the price fetched for small plots of house sites cannot be taken into consideration for valuing the land at acreage particularly when these were agricultural lands even by the date of acquisition. He opined that Exs.A-1 and A-2 do not represent the correct value of the land since a person purchasing small extent does not mind paying higher amount when the same was being purchased for housing purpose. He also held

that the basic value register and the certificate cannot be taken into consideration as a basis for fixing the correct market value. Ultimately he confirmed the market value fixed by the Land Acquisition Officer as the proper and reasonable market value.

6. Sri N. Rajeswara Rao, the learned counsel for the appellant in A.S.No. 2880 of 1989 who addressed leading arguments contended that since the Government is a party to the proceedings, it is bound by the value that has been fixed in the basic value register. He further contended that having fixed the market value of the land for purpose of registration it cannot come round and say that the valuation fixed in the basic value register is only for the purpose of stamp duty only but not for other purposes.

7. On the other hand, the learned Advocate-General contended that the basic value register is prepared only for the purpose of collection of stamp duty and as it was prepared block-wise but not on Survey Number-wise or basing on the potentialities of the land or the sale deeds in the vicinity, the said register cannot be made use of for the purpose of fixing a reasonable market value for the lands acquired, and the Court is bound to follow the guidelines given u/s 23 of the Land Acquisition Act.

8. The lands in question are agricultural lands and they are registered as agricultural lands. The first claimant as C.W.1 in his re-examination stated that as there was some delay for constructing the factory he raised jawar crop for the time being. As already stated, this land is acquired for the purpose of construction of water works reservoir. The entire, area acquired i.e., Ac.2-60 cents is being utilised for the purpose for which it was acquired. Ex.A-4 is the certificate issued by the District Registrar, Guntur, dated 23-6-1988. This certificate has been issued basing on the entry that has been found in the basic value register. For the purpose of valuation of suits the Courts are insisting for production of a certificate from the Mandal Revenue Officer or from a competent authority to show the market value of the properties on the date of the filing of the suits. It is in pursuance of that this proforma which has been found in Ex.A-4 is being prepared and the same is being filed into Courts. But this certificate does not reflect the reasonable value of the land that a willing seller is expected to receive or a willing purchaser is expected to pay. Ex.A-4 will be utilised only for the purpose of filing the suits and for satisfying the Courts about the valuation that has been made mentioned by the plaintiffs. The values that have been fixed in the basic value register will be changing from time to time. In its search for more revenue, the State Government tapping several possible sources to the maximum extent possible.

9. By A.P. Act 22 of 1971, Section 47-A was inserted in the Indian Stamp Act and this amendment was brought into effect from 16-8-1975. Section 47-A was further amended by A.P. Act 17 of 1986 which provides that if the registering officer has reason to believe that the market value of the property which is the subject-matter of any instrument of conveyance, gift, partition etc., has not been

truly set forth in the instrument, he may keep pending such instrument and refer the matter to the Collector for determination of market value of such property and property duty payable thereon. The concept of this amendment is to fix the market value of the property for payment of stamp duty in respect of the consideration that passed on between the parties. By the very same amendment several Entries in the Schedule to the Stamp Act relating to conveyance, exchange and gift etc., were also amended, introducing the concept of market value of the subject-matter of the transaction, in the place of consideration. For example, in item 20 of Schedule 1-A relating to conveyance, the stamp duty now became payable on the consideration stated in the conveyance, or the market value of the property, whichever is higher. The question whether the refusal of Sub-Registrar to register the document on the basis of instructions issued by the Inspector General of Startups and Registration is legal or not came up for consideration before Jeevan Reddy, J. (as he then was) in *Sagar Cements Ltd., Muttampalle v. The State of Andhra Pradesh* 1989 (3) ALT 677. Commenting on the Basic Value Register the learned Judge observed that it is not in dispute that it has no statutory sanction behind it. Neither the Stamp Act nor any other provision of law empower the Government to prepare such a register. Moreover the register was prepared on the basis of its own enquiries by Government. After giving his earnest consideration to the issue involved the learned Judge opened that the value stated in the Basic Value Register, lacking any statutory sanction, cannot bind the registering officer. The Government has been revising those values from time to time, again unilaterally. When the values are determined for all the properties in the State, the exercise is bound to be generalised in nature. It can never be accurate with respect to each individual property, or piece of land. Ultimately the learned Judge held that the values stated in the Basic Value Register cannot be treated as binding upon the registering officers, or upon parties who present documents for registration and that, at the most, it can be treated as a guideline, a relevant material, by the registering officers. The result is that the Basic Value Register can be treated only as an instruction and no sanctity can be attached to that register.

10. In another case where the action of the Sub-Registrar, Hayatnagar, Rangareddy District in not registering the sale-deeds dated 1-8-1991 on the ground that the documents do not bear sufficient stamp duty F. Venkatarama Reddy, J., in *P. Sasidar v. Sub-Registrar* 1991 (1) ALT 99. Hayatnagar held that the entries in the basic value register are not conclusive and binding on the registering officer. The learned Judge further observed that in the course of enquiry the parties may be able to demonstrate that the value noted in the basic value register does not cover the property in question or that there is a palpable error in the entries or that there is more relevant material which deserves to be preferred to the entries in the register. The Registering officer cannot take the stand that he would look into the basic value register and nothing more and form the belief on the basis of that register alone, more so when the basic value register has no statutory basis.

11. The rulings that have been cited above amply support out view that the basic value register has no sanction in law and the entries therein are only instructions and they are not binding on the parties. They are only prepared unilaterally for the purpose of collection of stamp duty in a generalised manner by not duly taking into account the potential value of the land.

12. The very same value that has been mentioned in the basic value register came up for consideration before a Division Bench of this Court in as early as in 1983 reported in *Jawajee Naganatham Vs. Revenue Divisional Officer, Abilabad*, . In that case the entry ex.B-15 in the market value register was relied upon to show that during the year 1975 a square yard in Ward No. 5, Block No. 7 was directed to be valued at Rs. 300/-. This rate of Rs. 300/- relates to sites sold for shops and the rate is Rs. 150/- per sq.yard if the site is sold for residential purposes. Subsequently there was a representation that such rates as were noted in the market value register were too high and yielding to such representation, the rates were correspondingly reduced to Rs. 250/- or Rs. 75/- per square yard depending upon whether the sites were sold for shops or for residential purposes. In the evidence R.W.3, the Sub-Registrar, Adilabad, made it clear that the valuations noted in the market value register were not based on comparative sales and that such valuation was based on primarily the property tax assessments.

13. The Division Bench observed that to curb the tendency on the part of persons to recite a low value in registering documents, the Government have prepared market value registers indicating the values of different lands in a particular area and made it obligatory on the parties to pay the stamp duty and registration expenses on the basis of such values. After referring to the market value register and the evidence of P.W.3 the learned judges observed that property tax assessment is naturally based on the annual rental value. If it is a shopping area, the annual rental value will be more and naturally the property tax assessment would also be at a higher level. As such values were based only on the municipal assessment, the Division Bench held, they do not reflect the market value obtaining in the locality and more so when the values so noted in the market value register were not based on any comparative sales. It was further held that in fixing the market value the Court has to take into account the price which a willing purchaser is prepared to pay to a willing vendor. The valuations noted in the market value register were not admittedly based on such consideration which a willing party was paying to a willing vendor. Therefore, the Division Bench refused to fix the market value on the basis of the valuations noted in the market value register. We have also expressed the same view in our judgments recently pronounced.

14. However, Sri N. Rajeswara Rao, the learned counsel, has brought to our notice a judgment of another Division Bench in *The Government of A.P. v. Sohan Lal* 1988 (2) ALT 306 which was rendered subsequent to the judgment in *Jawajee Naganatham's* case (3 supra).

15. In the cases i.e., *The Government of A.P. v. Sohan Lal* 1988 (2) ALT 306 the Bench held that the market value fixed in the basic registers would afford a reasonable guidance for fixing the market value of the lands acquired. But as seen from both the judgments, the advocate who appeared for the appellant in *Naganatham's* case also appeared on behalf of the Special Deputy Collector, Land Acquisition, in the latter case. But this earlier judgment was not brought to the notice of the latter Division Bench which is a judgment per incuriam not having any binding force. It is well settled that a Court is not bound to follow a decision of its own if given per incuriam.

16. In *Halsbury's Laws of England* 3rd Edition Volume 22. page 1687 the Rule of per incuriam has been explained as under:

"The Court is not bound to follow a decision if given "per incuriam". A decision is given per incuriam when the Court has acted in ignorance of a previous decision of its own or of a Court of co-ordinate jurisdiction which covered the cases before it or when it has acted in ignorance of the decision of House of Lords."

Identical view has been expressed at page 150 in *Salmand's Jurisprudence* (12th Edition) a Division of this Court affirmed this principles in *N.V.S. Rao v. M.V. Panduranganayakulu* 1983 (47) F& LR 308. Therefore, the view expressed by the Division Bench in *Jawajee Naganatham's* case (3 supra) would only prevail over the view expressed in the latter Division Bench, which was rendered per incuriam. The basic value register was not prepared on any scientific data. Moreover it was prepared on block-wise, for the purpose of collection stamp duty. It was prepared on a generalised data that has been furnished by some revenue officials whose object mainly is to inflate the rates for the purpose of collection of stamp duty and the same cannot reflect the reasonable market rate or cannot reflect as comparable value for the purpose of acquisition of the lands in question. Even if the consideration shown in the instrument is less than the market value, the vendee of that document is bound to pay the stamp duty on the basis of the value fixed in the basic value register. If the consideration shown in an instrument is more than the value that has been fixed as per the basic value register, the party cannot take advantage of the same and reduce the stamp duty payable on the instrument as per the consideration shown there under. The rates in the basic value register depend upon the purpose for which the land is put to use. If the land is sold for house sites one rate will be fixed and if the land is sold for commercial purpose another rate will be fixed. Generally the lands on the road side will fetch more value since the same will be utilised for shopping purposes and the site located inner side will fetch low value. When such is the state of affairs, can we say that the basic value register will reflect the correct value of the lands particularly when different sale deeds have been pressed into service with regard to the consideration that has been mentioned in the documents. The answer must be in the negative.

17. In a batch of appeals arising under the Land Acquisition Act, my learned brother *Immaneni Panduranga Rao, J.*, in *Valluri Seethayamma v. The Land*

Acquisition Officer 1990 (1) An.W.R. 505 held:

"The fixation of values in the basic value register is not based upon the whims and fancies of the Sub-Registrar but based on authentic enquiries made by the Revenue Department and the report submitted by the Revenue Officials. If so, the value given in the basic value register maintained by the Sub-Registrar should be taken as a sure guide to determine the market value of the acquired land."

The learned Judge further observed:

"When the Legislature in its wisdom thought that the benefit of fixing higher rate of compensation should be given to the claimants who have not even made an application to the Collector u/s 18 of the Act, it is unreasonable to hold that the same benefit should not be extended to persons who are pursuing their legal remedies in the civil Court."

18. Granting of incentives or special benefits in the event of compulsory acquisition has been considered by the Legislature and the provisions have been incorporated in the Act itself. If really it is contemplated that the value that has been fixed in the basic value register has to be taken into consideration, the Legislature would have mentioned the same either in the form of a proviso or by incorporation a clause in Section 23 of the Act. Therefore, it must be inferred that the Legislature must have thought it fit not to give any legal sanction to the basic value register and the Courts also have expressed the same opinion in one form or the other. The view expressed by Immaneni Panduranga Rao, J., that since the provisions of Section 28A of the Act can be extended even to the claimants who have not made an application to the Collector u/s 18 of the Act the rates in the basic value register can be extended is far fetched and cannot be applied to the facts of the present case. It is only the market value that has to be fixed as on the date of the Section 4(1) Notification basing on the comparable sales, the potential value of the land and the use to which the land will be put to in future Therefore, we are of the firm view that the values mentioned in the basic value register cannot be taken into consideration for fixing the fair market value for the lands acquired under the Land Acquisition Act. In this view of the matter, we entirely agree with the views expressed by the Division Bench in Jewajee Naganatham's case (3 supra).

19. Sri N. Rajeswara Rao has relied upon a decision of the Supreme Court in Vatticherukuru Village Panchayat Vs. Nori Venkatarama Deekshithulu and Others, in support of his submission that the rates of the lands mentioned in the basic value register furnish an unimpeachable evidence at that time. In that case the Supreme Court held that the entries in the Inam Fair Register are great acts of the State coupled with the entries in the survey and settlement record furnish unimpeachable evidence. But that was a case arising under the A.P. (A.A.) Inams (Abolition and Conversion into Ryotwari) Act, 1956. No doubt the entries in the Inams Fair Register and survey and settlement records have great evidenciary

value. The entries in the Inams Fair Register relate only to title to and possession of the lands, but not the values of the lands. The entries in the basic value register are mainly meant for the purpose of registering documents and are followed by the Registering authorities only, but they are of little assistance to arrive at the conclusion about the market value of the land for the purpose of payment of compensation under the Land Acquisition Act. Therefore, the decision relied upon by the learned counsel is of no relevance to the facts of the present case.

20. Sri N. Rajeswara Rao, feebly contends that the Government having prepared the basic value register and the values mentioned in it being adopted for purpose of registration of documents, they are estopped from claiming the values mentioned in it will be considered only for the purpose of collection of stamp duty at the time of registration of documents and not for any other purposes. The Government never expressed any intention that the rate that has been mentioned in the basic value register is the rate fixed for the lands for all practical purposes including for fixing the fair market value for the lands acquired in the case of transactions that arose between the Government and the general public. As already observed above the rates that have been fixed in the basic value register are for purpose of collection of stamp duty only in a general manner and they cannot be used for fixing the fair market value of the land acquired as contemplated u/s 23 of the Land Acquisition Act and the question of estoppel does not arise at all.

21. The second contention that has been raised by Sri N. Rajeswara Rao is that since the sale deeds Exs.A-1 and A-2 reflect a market value at Rs. 100/-per square yard, they have to be taken into consideration for fixing the market value for the lands acquired.

22. We are not aware whether any lay-out has been approved by the Guntur Municipality for the lands acquired. No evidence has been let in by the claimants in this regard. It is a well known fact that in the case where agricultural lands have to be converted into house sites, a different procedure has to be adopted as per the Rules framed under the A.P. Municipalities Act. Generally not less than 1/3rd has to be deducted for the purpose of roads amenities etc. In the case of lands where the lay-out has been approved by the concerned Municipality, the value of such land will be more as the vendor of such land will be in a position to obtain the permission from the Municipality without any hurdles for construction of a house immediately. Whereas, in the case of land for which no lay-out has been approved, the land costs less when compared to the lay-out plots and the vendor of such plot has to part with some money towards betterment charges and unless and until the betterment charges as demanded by the Municipality are paid it is not possible for him to obtain any permission for construction of the house.

23. The sale deeds for small extents in unapproved lay-out plots in a Municipal area or small plots registered as agricultural land situate in a village abutting the

main road can be created or brought into existence at any time, taking advantage of the pre-survey being made for preparation of the publication of the Section 4(1) Notification in pursuance of the requisition given by the authority concerned long back. It is for that reason often we come across sale deeds for small extents of 2 cents or one gunta or for 100 yards or 150 yards in the Municipal area in the case of acquisition of large extent. We cannot attribute motive unless it is found that the lay out has been approved in a hurried manner after the commencement of the pre-survey for acquisition. The sale deeds for small extents in approved lay out cannot be taken as a comparable sale to fix fair market value or the sale deeds for agricultural land in the village also cannot be taken as comparable sale.

24. Exs.A-1 and A-2 are the registration extracts of the said deeds dated 1-2-1988. Giving one vendor as the vendee under those sale deeds has been examined to prove those documents. Only C.W.2, who is said to be a close relation of the purchaser was examined. The purchaser under Ex.A-1 is the wife of his brother and the purchaser under Ex.A-2 is his senior paternal aunt. C.W.2 attested both Exs.A-1 and A-2. The land sold under Exs.A-1 and A-2 is in S.Nos. 160 and 162 in a compact block opposite to Donka. The land under Exs.A-1 and A-2 was sold at the rate of Rs. 100/- per square yard. Whereas C.W.2 stated in his chief examination that they purchased at Rs. 200/- per square yard. The recitals in the sale deeds with regard to the consideration alone will prevail but if any person wants to prove those recitals he has to establish it by means of consistent and cogent evidence but no person connected with those documents was examined. According to C.W.2, from the date of Exs.A-1 and A-2 till acquisition, the prices are increasing and the value of the acquired land would be Rs. 300/- per sq.yd. on the date of acquisition. If he stops there we can understand that he is stating something on the basis of general knowledge. But he goes further in his evidence stating that by the date of acquisition, the market value was above Rs. 5 lakhs per acre. At one breath he says that the value of the acquired land would be Rs. 300/- per square yard as on the date of acquisition and on the other breath he says that by the date of acquisition the market value was above Rs. Five lakhs per acre. This itself shows that he is not a reliable witness and he was a brought up witness. In the cross-examination a suggestion was put which was denied to the effect that coming to know about the acquisition Exs.A-1 and A-2 were brought into existence with higher value. To our mind this suggestion appears to be correct.

25. According to the representation filed by Ambati Ramaiah before the Land Acquisition Officer along with the Photostat copy of the agreement dated 11-2-1984 between himself and two others and Kollipara Rajeswara Rao, the land was sold to Kollipara Rajeswara Rao at Rs. 70,000/- per acre. Even according to C.W.1, they have purchased the land at Rs. 70,000/- per acre. It is well settled that the sale deeds of small extents with abnormal rate than the one that was prevailing executed just before the pre-survey or the issuance of the Notification have to be rejected. In this case unfortunately no evidence has been

let in on behalf of the Land Acquisition Officer. No evidence is available as to the value that was prevailing in that area. According to the learned Advocate-General in 1982 itself Sri M.S. Narayanacharyulu and Dr. Bharat Rao gave consent for the acquisition of the land but unfortunately the said consent letters were not brought on record. Neither the sale statistics, nor the consent letters mentioned in the award proceedings given by Sri M.S. Narayanacharyulu and Dr. Bharath Rao were placed on record. Even though they are available in records maintained by the Government, the Court is prevented from taking note of these documents as they were not produced before the Court nor proved through any witness.

26. C.W.3 one of the claimants stated that even according to the sale deeds furnished by the Land Acquisition Officer, the market value was Rs. 1,44,000/- per acre but they have not chosen to produce any document to that effect as they went to rely upon Exs.A-1 and A-2 which are found to be the documents brought into existence being aware of the acquisition proceedings. C.W.1 says that he does not know under what circumstances Exs.A-1 and A-2 came into existence.

27. With regard to the income potentialities also, even though C.W.1 states that he raised Jawar crop at the time of the acquisition, he has gone to the extent of saying that the income is Rs. 7,000/- or Rs. 8,000/- per acre. C.W.2, also corroborates the evidence of C.W.1 in this regard. He says that cotton and chillies grow on the land fetching Rs. 7,000/- or Rs. 8,000/- per acre. But it is not their case whether chillies and cotton have been grown in that land and the income from Jawar crop will be low. Coming to the evidence of C.W.1 he states that he purchased the land at Rs. 1,50,000/- per acre. But as the tenants were not delivering possession, he said the property to him at Rs. 70,000/- per acre with a condition that they should evict the tenants from the land.

28. The learned Advocate-General submitted that the statement of M.S. Narayanacharyulu at any point of time does not reveal that what was the consideration and in the absence of any document, sale deed or agreement or any evidence with regard to the consideration, the statement of C.W.1 cannot be given any weight. The claim made by Kollipara Rajeswara Rao is not in dispute. In the cross-examination C.W.1 states that the sale deed shows Rs. 70,000/- per acre. He further stated that it was not mentioned that they should take possession from the tenants. Without producing the document, he admitted that there is no recital. When that is the position, when no document has been filed, that statement cannot be taken into consideration and that statement does not inspire the confidence of the Court and the document has been withheld and no evidence has been let in with regard to the payment to the tenants.

29. With regard to the income, C.W.1 exaggerated the same and hence no credence can be given to the oral evidence of C.W.1. The rate that is claimed by them at Rs. 200/- per square yard has no basis at all. The value that has been mentioned in the basic value register alone reflects in Exs.A-1 and A. 2. The sale deeds in S.No. 159 which have been mentioned have not been brought into

existence on record either by the claimant or the Land Acquisition Officer. In these circumstances, we feel that the suppression of the material information about the statement given by the original owner M.S. Narayanacharyulu and the non-production of the agreement and the attitude of M.S. Narayanacharyulu in not coming out about what exactly the consideration all indicate that a planned effort has been made with a view to grab as much amount as possible under the guise of Exs.A-1 and A-2. Hence no credence can be given to Exs.A-1 and A-2.

30. Having rejected Exs.A-1 and A-2 and the value mentioned therein and having rejected the evidence of C.W.1 about the payment of rent to the tenants as there was no basis for his statement and as Rajeswara Rao came is the consideration between M.S. Narayanacharyulu and Ambati Sambaiah (C.W.1) and C.W.1 also has stated that Rs. 70,000/- is the value, without producing any documents, we felt at best the cost of the land acquired will not cost more than Rs. 70,000/- as the requisition of the land itself indicates that there is pre-survey, Rs. 70,000/- would be the maximum price which the land acquired may fetch, C.W.1 has not paid even the stamp duty and no receipt is produced for Rs. 70,000/-. Moreover, the land as claimed by them is not abutting the main road and it is abutting "donka". It is a well known proposition that the land abutting the main road will fetch more amount than the land located inside i.e., away from the main road even though it is one piece of land situated in the same survey number.

31. During the year 1976, an extent of Ac.2-43 cents in S.No. 165/3 of Koritipadu village which is a part of the land proposed for acquisition, was acquired for purpose of house sites and the Land Acquisition Officer fixed the market value at Rs. 10,000/- per acre. But on reference, the Civil Court enhanced the same to Rs. 30,000/-. The present Notification is in the year 1982. After a lapse of 6 years from the date of the earlier acquisition, even if the rate is doubled, it will come to Rs. 60,000/-. That land was sought to be acquired for providing house sites to the Scheduled Caste people and it is in such advantageous position and whereas this land is in the back side and it is acquired for the purpose of water works reservoir. If the land is acquired for purpose of house sites, we have to deduct 1/3rd for roads and amenities. But this land is acquired for purpose of construction of water works reservoir and hence no deduction can be made.

32. On an over all view of the entire matter, we are of the opinion that Rs. 68,000/-. The correct figure has to be ascertained acre would be the reasonable market value for the land acquired.

33. The claimants are entitled to the solatium at 30% and also the additional market value at 12% and they are also entitled to interest at 9% per annum for one year from the date of taking possession and at 15% per annum thereafter.

34. The appeals are allowed accordingly in part. No costs.