

ITEM NO.11

COURT NO.4

SECTION IV-C

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

SPECIAL LEAVE PETITION (CIVIL) Diary No(s). 18763/2026

[Arising out of impugned final judgment and order dated 01-08-2025 in FAM No. 73/2019 passed by the High Court of Chhatisgarh at Bilaspur]

STATE OF CHHATTISGARH & ORS.

Petitioner(s)

VERSUS

PARIKSHIT SINGH GUPTA & ORS.

Respondent(s)

IA No. 169063/2026 - CONDONATION OF DELAY IN FILING
IA No. 169066/2026 - CONDONATION OF DELAY IN REFILING / CURING THE DEFECTS, IA No. 169062/2026 - EXEMPTION FROM FILING O.T.
IA No. 169064/2026 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

Date : 19-06-2026 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE SANDEEP MEHTA
HON'BLE MR. JUSTICE VIJAY BISHNOI
[PARTIAL COURT WORKING DAYS BENCH]

For Petitioner(s) : Mr. Bishwajit Dubey, A.A.G.
Mr. Vinayak Sharma, Adv.
Mr. Ravinder Kumar Yadav, AOR
Mr. Karan Khetani, Adv.

For Respondent(s) : Mr. Ashutosh Ghade, AOR
Mr. Pallav Mongia, AOR

UPON hearing the counsel the Court made the following
O R D E R

Delay condoned.

The State of Chhattisgarh¹ has preferred the instant special leave petition for assailing the judgment and order dated 1st August, 2025 passed by the Division Bench of the High Court of Chhattisgarh at Bilaspur² in F.A.M No.73 of 2019. The appeal was

1 Hereinafter, referred to as "petitioner-State of Chhattisgarh".

2 Hereinafter, referred to as "the High Court".

preferred by the petitioner-State of Chhattisgarh assailing the legality and validity of the order dated 30th July, 2018 passed by the First Additional Judge to the Court of First Additional District Judge, Durg, Chhattisgarh³ in MJC No. 85 of 2014 whereby a reference made by the Land Acquisition Officer/Sub Divisional Officer, Durg under Section 18 of the Land Acquisition Act, 1894 was partly allowed with a direction to the Land Acquisition Officer, Durg, to recompute the compensation for land acquisition payable to the respondents @ Rs.5,380/- per square metre in accordance with the guideline rates applicable for the Financial Year 2010-11 and make payment thereof to the respondents together with interest @9% per annum for the first year from the date of publication of the notification dated 13th August, 2010 and thereafter, @15% per annum till the date of payment. The payment was directed to be made within a period of three months from the date of order. The High Court made the interest payable on compensation amount applicable from the date of filing of the eviction suit filed by the respondents i.e. 2nd September, 2006.

It is evident from record that the Public Works Department⁴ of the Government of Chhattisgarh had taken possession of the respondents' land way back in the year 1986 and constructed roads thereupon. In the year 2006, the respondents, filed a suit⁵ under Section 250 of the Chhattisgarh Land Revenue Code, 1959 seeking eviction of the PWD from their land, upon which, the *ex post facto* acquisition proceedings came to be initiated in the year 2010 with

3 Hereinafter, referred to as "the reference Court".

4 Hereinafter, referred to as "PWD".

5 Revenue Case No. 10/A-70/2006-07.

the issuance of a notification under Section 4 of the Land Acquisition Act, 1894 on 13th August, 2010.

The Land Acquisition Officer, Durg passed the final award on 29th June, 2011, assessing the value of the acquired land @ Rs. 4,308/- per square metre by relying upon the Market Value Guideline Principles for Property applicable to the Financial Year 2009-10. However, the reference Court, *vide* order dated 30th July, 2018 adopted the guideline rates applicable for the Financial Year 2010-11 on the ground that, before the final award came to be passed, revised guidelines had come into force, whereunder the value of the land was fixed @ Rs. 5,380/- per square metre.

Aggrieved by the aforesaid order of the reference Court, the State as well as the respondents preferred appeals before the High Court. Upon consideration of matter, the High Court held that since the State authorities illegally and unauthorisedly took over the land of the respondents, they were entitled for interest on compensation from the date of filing of the eviction suit i.e., 2nd September, 2006 till the date of the payment. The rate of interest was fixed @9% per annum for the first year from the date of filing of the eviction suit i.e., 2nd September, 2006 and thereafter @15% per annum till the date of actual payment.

Learned counsel for the petitioner-State of Chhattisgarh vehemently and fervently argued that there was no justification whatsoever for awarding interest to the respondents on the compensation determined by the reference Court.

We have heard and considered the submissions advanced by learned counsel for appearing for the State of Chhattisgarh and

have gone through the material available on record.

Evidently, the State authorities had encroached upon the land of the respondents and constructed a road thereon almost two and half decades prior to the acquisition proceedings.

The fact regarding exact extent of the encroachment on the respondents' land came to light only during the demarcation proceedings which took place on 3rd May, 2006, immediately whereafter the suit was instituted by the respondents' seeking eviction of the PWD from their encroached land.

However, in view of the fact that the land had been utilised for public purpose, the petitioners initiated acquisition proceedings, which culminated in the Final Award dated 29th June, 2011 referred to above.

We are of the firm view that as the State had unauthorisedly taken over the possession of the respondents' land and used the same for a prolonged period, and, further, as no offer of compensation was made even after the institution of the eviction suit by the respondents in the year 2006, it was wholly justified for the High Court to have awarded interest on the compensation amount from the date of filing of the suit at the rates indicated above.

The determination of market rate @ Rs.5,380/- per square metre by the reference Court has been affirmed by the High Court by a well-reasoned order.

We are, therefore, of the firm view that the present special leave petition is nothing but an attempt by the petitioner-State of Chhattisgarh to cause further harassment to the respondents by

assailing the concurrent findings recorded by the courts below.

We find the special leave petition to be absolutely frivolous and hence, cost quantified at Rs.2,00,000/- (Rupees Two Lakhs) is imposed on the petitioner-State of Chhattisgarh. The cost shall be paid by the State Authorities to the respondents within a period of 8 weeks from today.

The special leave petition is, accordingly, dismissed with the above observations and directions.

Pending interlocutory application(s), if any, is/are disposed of.

(JAYANT KUMAR ARORA)
ASTT. REGISTRAR-cum-PS

(NIDHI WASON)
ASSISTANT REGISTRAR