

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL Nos.13535-13536 OF 2025
(Arising out of SLP(C)Nos.12516-12517 of 2021)

SHRISHAIL ETC.ETC.

... APPELLANTS

Versus

KANORIA INDUSTRIES LTD., NOW CALLED AS BAGALKOT CEMENT AND
INDUSTRIES LTD. AND ORS. ETC. ETC.

... RESPONDENTS

O R D E R

1. Leave granted.
2. Heard learned Senior Counsel for the parties and carefully perused the material placed on record.
3. The instant appeals are directed against the judgment dated 04.03.2021, passed by the High Court of Karnataka at Dharwad, whereby two cross Writ Petitions, filed by the parties, have been disposed of, upholding the order of the Principal District Judge, Bagalkot, in the land acquisition proceedings.
4. The short issue that falls for consideration is whether the appeal against the award passed by the Reference Court would be maintainable in the instant case before the High Court or the First Appellate Court, keeping in view the pecuniary jurisdiction prescribed for maintainability of such an appeal.
5. While the appellants are the land-owners, the respondent-industry seeks apportionment in the compensation, being the tenant of the land.
6. The Special Land Acquisition Officer passed an award granting a sum of Rs.3,21,106/-. The appellants, as well as respondent

No.1-tenant, both filed references under Section 18 of the Land Acquisition Act, 1894 (for short, '1894 Act'), seeking further enhancement. The reference filed by the appellants was allowed, and *vide* Awards dated 16.11.2011 and 14.11.2019, the compensation amount was enhanced at the rate of Rs.90/- per sq.ft. Respondent No.1-tenant filed an appeal seeking further enhancement of compensation. Such an appeal has been filed before the First Appellate Court on the premise that the awarded amount was Rs.3,21,106/- and, therefore, the pecuniary jurisdiction to entertain further appeal vests in the First Appellate Court.

7. On the other hand, the appellants' case was that since the Reference Court has already enhanced the compensation, which runs into more than Rs.3 crores, and as such, the jurisdiction to entertain the First Appeal vests in the High Court.

8. While resolving the aforesaid controversy, the High Court, *vide* the impugned judgment, has relied upon a Full Bench decision of the High Court in Indian Council of Agricultural Research Rep. by its Director vs. Smt. Varija and others, ILR 2011 KAR 499. The Full Bench, in the cited case, held that for the purpose of a reference under Section 30 of the 1894 Act for determining pecuniary jurisdiction under Section 19 of the Karnataka Civil Courts Act, 1964, the value of the share of a claimant (in a dispute for apportionment) is the amount awarded. The High Court, thus, has construed that the amount awarded being Rs.3,21,106/-, the appeal preferred by respondent No.1-tenant before the First Appellate Court, i.e., the Principal District Judge, is maintainable.

9. We, however, find it difficult to approve the aforesaid viewpoint expressed by the High Court. We say so for the reason that the award of Rs.3,21,106/-, passed by the Special Land Acquisition Officer, stood replaced by the award passed by the Reference Court, granting compensation at the rate of Rs.90/- per sq. ft. The total compensation amount resultantly increases to over Rs.3 crores. It is not in dispute that if the enhanced amount of compensation, awarded by the Reference Court, is taken as the base value, the pecuniary jurisdiction vests in the High Court. Since the subsequent event, namely, the enhancement of compensation by the Reference Court has a direct bearing on the maintainability of the appeal and consequential determination of the claim for apportionment under Section 30 of the 1894 Act, coupled with the fact that it will be in the interest of both the parties, it seems to us that the appeal shall be heard and decided by the High Court on merits.

10. For the reasons aforesaid, the appeals are allowed, the impugned judgment dated 04.03.2021, passed by the High Court of Karnataka at Dharwad, is set aside with the following directions:

(i) LAC Appeal No.89/2019, LAC Appeal No.135/2019, LAC Appeal No.136/2019, LAC Appeal No.137 of 2019 and LAC Appeal No.138/2019, preferred by respondent No.1-tenant, which are pending consideration before the Principal District Judge, Bagalkot, are ordered to be transferred to the High Court along with records and shall be re-numbered accordingly.

(ii) The first respondent shall be at liberty to seek

amendment of the pending appeals, if so required in accordance with law.

11. Since the matter is pending for a long time, we request the High Court to make an endeavour to decide the aforesaid appeals on an out-of-turn basis.

12. It is clarified that we have not expressed any opinion with respect to the apportionment claim of the parties, and the same shall be determined by the High Court in accordance with law.

13. The parties are directed to appear before the High Court on 27.11.2025.

14. As a result, the pending interlocutory application also stands disposed of.

.....J.
(SURYA KANT)

.....J.
(JOYMALYA BAGCHI)

NEW DELHI;
NOVEMBER 11, 2025.

ITEM NO.2

COURT NO.2

SECTION IV-A

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

Petition(s) for Special Leave to Appeal (C) No(s).12516-12517/2021

[Arising out of impugned final judgment and order dated 04-03-2021 in WP No. 148318/2020 04-03-2021 in WP No. 115068/2019 passed by the High Court of Karnataka Circuit Bench at Dharwad]

SHRISHAIL ETC. ETC.

Petitioner(s)

VERSUS

KANORIA INDUSTRIES LTD., NOW CALLED AS BAGALKOT CEMENT AND INDUSTRIES LTD. AND ORS. ETC. ETC. Respondent(s)

IA No. 98692/2021 - EXEMPTION FROM FILING O.T.

Date : 11-11-2025 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE SURYA KANT
HON'BLE MR. JUSTICE JOYMALYA BAGCHI

For Petitioner(s) Dr. Aditya Sondhi, Sr. Adv.
Mr. Chinmay Deshpande, Adv.
Mr. Anirudh Sanganeria, AOR

For Respondent(s)

Mr. Siddarth Bhatnagar, Sr. Adv.
Ms. Meghna Mishra, Adv.
Mr. Ankit Rajgarhia, Adv.
Mr. Aakash Nandolia, AOR
Mr. Rohit Kumar, Adv.
Mr. Nadeem Afroz, Adv.

Mr. Avishkar Singhvi, Sr. Adv.
Mr. Sanchit Garga, AOR
Mr. Kunal Rana, Adv.

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

Leave granted.

The appeals are allowed in terms of the signed order.

As a result, the pending interlocutory application also stands disposed of.

(SATISH KUMAR YADAV)
ADDITIONAL REGISTRAR

(PREETHI T.C.)
ASSISTANT REGISTRAR

(signed order is placed on the file)