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A.S. No. 64 of 2020

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 29.01.2026
PRONOUNCED ON : 02.02.2026

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THE HONOURABLE DR.JUSTICE A.D.MARIA CLETE

A.S. No. 64 of 2020
and
C.M.P. No. 539 of 2020

The Special Tahsildar,
Land Acquisition Unit- II,
Tamil Nadu Cements Corporation Limited,
Ariyalur.

...Appellant

Vs.

1.Govindasamy
2. Managing Director,
Tamil Nadu Cements Corporation Ltd.,
Chennai.

3. Deputy General Manager,
Tamil Nadu Cements Corporation Ltd.,
Ariyalur.

...Respondents

PRAYER in A.S.: Appeal Suit filed under Section 54 of the Land Acquisition Act, to set aside the judgment and decree passed in LAOP No.30 of 2003 dated 03.02.2017 on the file of the Sub Court, Ariyalur and pass such further or other order on this Court may deem fit and proper in the circumstances of the case and this render justice.

PRAYER in C.M.P. : Petition filed under Order 41 Rules 5 of the Code of



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Civil Procedure, to stay the execution of the decree and judgment passed in LAOP No.30 of 2003 dated 03.02.2017 on the Sub Court, Ariyalur pending disposal of the above appeal thus render justice.

For Appellant : Mr.M.Murali
Government Advocate (A.S.)

For Respondents: Mr.R.Gokula Krishnan, Advocate
For R1.

Mr.A.Sivaji, Standing Counsel
For R2 & R3

J U D G M E N T

Heard.

2.This is an appeal preferred under Section 54 of the Land Acquisition Act, 1894. It arises out of the award passed by the Sub Court, Ariyalur, in L.A.O.P. No.30 of 2003, dated 03rd February 2017. The acquisition relates to certain lands in Ariyalur District for the establishment of a Government Cement Factory under the Tamil Nadu Cements Corporation Limited, hereinafter referred to as TANCEM. The appellant before this Court is the Special Tahsildar, Land Acquisition Unit-II, representing the acquiring authority.

3.The Government has issued a 4(1) notification dated 16.04.1996 and



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the Land Acquisition Officer by award dated 06.04.1999 had relied on private sale transactions in respect of nearby lands and fixed the market value at Rs.200/- per cent. The landowner, not satisfied with this valuation, sought a reference under Section 18 of the Land Acquisition Act. The Sub Court, Ariyalur, by its award dated 03.02.2017, enhanced the compensation to Rs.1,200/- per cent, together with the usual statutory benefits towards solatium, additional amount and interest.

4.The memorandum of appeal challenges the enhancement as excessive and unsustainable. It is contended that the Reference Court relied on sale deeds which were not comparable to the acquired lands, that the Land Acquisition Officer's dry-land data sales should have been accepted, and that the Court below failed to apply a belt system valuation or to deduct a proper percentage for development. The appellant also questions the award of interest on solatium and the additional amount.

5.The issues for consideration are:

(1) Whether the enhancement to Rs.1,200/- per cent requires interference in the light of subsequent pronouncements of this Court in



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companion appeals from the same acquisition? and

(2) Whether any development deduction has to be imposed or whether uniform parity should be maintained?

6.It is now well settled through a long series of appeals arising from the very same acquisition scheme that this Court has consistently taken a view in favour of the landowners. By the common judgment dated 29th January 2024 in A.S. No. 916 of 2019 and connected matters, this Court dismissed the appeals preferred by the State and by TANCEM, allowed the cross-objections filed by the claimants, and enhanced the market value from Rs.1,200/- per cent to Rs.1,500/- per cent, directing the payment of the balance within eight weeks.

7.Subsequently, by order dated 23rd August 2024, S.M. Subramaniam, J., recorded that TANCEM itself had passed a resolution—approved by the Government—to pay compensation at the rate of Rs.1,500/- per cent, with statutory interest, to all the landowners under this scheme, and directed the Land Acquisition Officer to settle the enhanced compensation uniformly within eight weeks. This shows that a conscious decision has been taken by the acquiring authority to maintain parity and avoid any discrimination



among the affected landholders.

8.Again, on 23rd October 2024, in a batch of connected CMPs, Sathi Kumar Sukumara Kurup, J., reiterated that the fixation of Rs.1,500/- per cent in the earlier batch governs all connected cases, and observed that the petitions seeking rehearing had become infructuous in view of the finality of the common judgment, while granting four months' time for TANCEM to complete the payment.

9.In view of these determinations arising from the same acquisition and involving the same acquiring body, there is no scope for a different view in this appeal. To perpetuate a lower rate here would run counter to the principle of equality and uniformity in compensation. The contentions advanced on behalf of the appellant with regard to comparability, valuation, or deduction are no longer open for reconsideration in the face of the later common judgment and the uniform policy (resolution dated 13.03.2024) adopted by TANCEM and the relevant portion of the said resolution dated 13.03.2024 is extracted hereunder;

“The Board took note that TANCEM acquired 1137.97.5 hectares of land in 3 phases. The Board also took note that in 1999, 320.76 acres were acquired for which compensation was fixed at Rs.250/- per cent and In the year 2000, 390 LAOP's demanding



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higher compensation and enhanced compensation @ Rs.1250/- per cent was fixed vide order dated 29.11.2012 against which TANCEM filed Writ Petition in Hon'ble High Court of Madras and the cases were remanded to Sub-Court, Ariyalur on 20.08.2014. The Board further took note that the compensation was reduced to Rs.1,200/- per cent. Subsequently, Special Tahsildar, Ariyalur filed Appeal Suits for 319 cases and judgement pronounced for 300 cases @ Rs.900/-per cent totaling to Rs.10.26 crore and the amount was deposited in Sub-court Ariyalur. The Board noted 20 appeals were filed and enhanced rate was fixed between Rs.1200/- to Rs.1500 per cent. The Board also noted that RDO convened fees committee meeting in view of PH on 15.2.24 for mining lease of 92.22.6 ha at Pudupalayam village and demanded Rs.1,500/- per cent at an approximate requirement of additional amount was Rs.19 crore (approx).

Resolved that the proposal of TANCEM to settle the LAOP Cases by payment of compensation fixed by Hon'ble High Court, Madras in the judgment dated 29.01.2024 at the rate of Rs.1500/- per cent besides interest entitled as per section 23(2) of LA Act, 1894 be and is hereby approved.

Further resolved to accord approval for payment of compensation for all other cases pending before Hon'ble High Court, Madras / Sub-Court, Ariyalur as and when judgment is pronounced at the rate of Rs.1500/- per cent plus interest as finalized in Lokayuktha / Mediation so as to avoid further litigation.”

10. On the question of development deduction, it is seen that the subsequent batch decisions have proceeded on a flat rate of Rs.1,500/- per cent, without applying any deduction towards development charges, the acquisition being for an industrial and mining purpose and not for layout formation. Any deduction at this stage would break the uniformity already settled by this Court.



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11. Accordingly, the appeal fails on merits. Following the common judgment and the uniform decisions affirmed by this Court, the market value of the acquired land is fixed at Rs.1,500/- (Rupees One Thousand Five Hundred only) per cent, with no deduction towards development charges. The award passed by the reference court is modified by enhancing from Rs.1,200/- to Rs.1500/-. The claimant is entitled to the statutory benefits under Sections 23(1-A), 23(2) and 28 of the Land Acquisition Act, to be calculated on the enhanced amount.

12. Any sum already deposited shall be given due credit. The balance compensation, together with all statutory additions and interest, shall be deposited by the acquiring authority within eight weeks from the date of receipt of this Judgment, to the credit of L.A.O.P. No.30 of 2003 on the file of the Sub Court, Ariyalur. On such deposit, the landowner is permitted to withdraw the same in accordance with law. Thus the appeal is disposed of. There will be no order as to costs. The connected miscellaneous petition is closed.

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Index: Yes / No

Speaking Order / Non-speaking Order

Neutral Citation: Yes / No

To

1. The Sub-Court,
Ariyalur.

2. The Special Tahsildar,
Land Acquisition Unit- II,
Tamil Nadu Cements Corporation Limited,
Ariyalur.

3. Managing Director,
Tamil Nadu Cements Corporation Ltd.,
Chennai.

4. Deputy General Manager,
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DR. A.D. MARIA CLETE, J

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