IN THE HIGH COURT OF JUDICATURE OF MADRAS

DATED: 30.09.2022

CORAM:

THE HONOURABLE MR.JUSTICE S.S.SUNDAR
and
THE HONOURABLE MRS.JUSTICE N.MALA

A.S.Nos.420 to 428 of 2016
and
C.M.P.Nos.10131 to 10133, 10135 to 10137, 10139 to 10147 of 2016

The Special Tahsildar (LA),
SIPCOT TACID DIVISION,
Oragadam Scheme,
Irungattukottai,
Sriperumbudur Taluk. ... Appellant
[in all A.Ss]

versus

1.Minor Makiba Bora,
Rep. by Natural Guardian Father
K.Mahaveer Chand Bora,
No.29, Teacher Subbarayar Mudali Street,
Saidapet, Chennai - 600 015. ... Respondent No.1
[in all A.S.No.420/2016]

1.Naveen Latha ... Respondent No.1
[in all A.S.Nos.421, 424,
425 & 426/2016]

1.Rakesh Kumar ... Respondent No.1
[in all A.S.No.422/2016]

1.Mahaveer Chand Bora	...	Respondent No.1 [in all A.S.Nos.423, 427, & 428 /2016]
2.The Managing Director, SIPCOT, No.19A, Rukmani Lakshmipathy Road, Egmore, Chennai - 600 008.	...	Respondent No.2 [in all A.Ss]

Common Prayer: Appeal Suits filed under Section 54 of the Land Acquisition Act, against the common order dated 19.07.2011 made in L.A.O.P.Nos.1209, 1208, 1211, 1212, 1213, 1214, 1215, 1216 and 1210 of 2008 on the file of the learned Subordinate Judge, Kancheepuram respectively.

For Appellant [in all A.Ss]	: Mr.T.Chandrasekaran Special Government Pleader
For Respondent No.1 [in all A.Ss]	: No Appearance
For Respondent No.2 [in all A.Ss]	: Mr.M.Sriram for Mr.Ramesh Venkatachalapathy

COMMON JUDGMENT

*[Judgment of the Court was delivered by **S.S.SUNDAR, J.**]*

These Appeal Suits have been preferred challenging the common order of the learned Subordinate Judge, Kancheepuram dated 19.07.2011 made in L.A.O.P.Nos.1209, 1208, 1211, 1212, 1213, 1214, 1215, 1216 and 1210 of 2008 respectively under Section 54 of the Land Acquisition Act.

2. The appellant was appointed as the Collector to perform the functions of Land Acquisition Officer while acquiring the lands of respondents / claimants and others in Sriperumbudur Village, Kancheepuram District. It is admitted that a notification under Section 4(1) of the Land Acquisition Act, 1984 [hereinafter referred to as "the Act"] was issued on 04.01.1999. An extent of 11.05.0 Hectares of land in Panrutti 'A' Village, Sriperumbudur Taluk along with the lands were acquired for the scheme of M/s.TACIT to form an industrial complex. Enquiry under Section 5-A was dispensed with as the Government invoked the emergency provision under Section 17 of the Act. After the declaration under Section 6 of the Act, on 08.07.1999 *vide* G.O.No.551, award proceedings were initiated by the appellant. After issuing notice to the interested persons, an award was passed on 20.12.1999 *vide* Award No.1/99 in respect of an extent of 11.05.0 Hectares belonged the contesting respondents and others. The appellant fixed the market value for the entire lands on the basis of the sale deed dated

30.10.1996 reflecting the value at Rs.25,000/- per acre and Rs.61,750/- per hectare.

3. Aggrieved by the market value fixed by the appellant, the claimants sought for reference under Section 18 of the Act and the Reference Court namely Sub Court, Kancheepuram entertained the cases referred to it in L.A.O.P.Nos.1209, 1208, 1211, 1212, 1213, 1214, 1215, 1216 and 1210 of 2008 respectively. The Reference Court after extracting facts on each case independently disposed of all L.A.O.Ps by a common order dated 19.07.2011. The Reference Court enhanced the compensation on the basis of the Sale Deed dated 18.10.1993 marked as Ex.C.3 in respect of a house site. As per the document Ex.C.3, the property which was described as a house site had been sold at the rate of Rs.6,510/- per cent.

4. Relying upon the Sale Deed, the Reference Court came to the conclusion that the document Ex.C.3 reflects the correct market value and after deducting 30% of the market value towards development, a sum of

Rs.4,560/- was fixed as the value per cent. Aggrieved by the common order of the Reference Court, the Government has filed all the above appeals.

5. The learned Special Government Pleader for the appellant submitted that as against the compensation fixed by the Land Acquisition Officer at Rs.250/- per cent, the Reference Court has exorbitantly enhanced the amount from Rs.250/- to Rs.4,560/- per cent which is around 20 times more than the value fixed by the Land Acquisition Officer.

6. It is the grievance of the learned Special Government Pleader for the appellant that the Reference Court enhanced the market value on the basis of a document, which is in respect of a small plot having all advantages. Even though 30% is deducted towards development, the learned Special Government Pleader for the appellant submitted that the deduction should be more. Stating that the deduction should be not only on account of fact that the sale exemplar was in respect of a developed house site but also towards lump sum payment as well as for providing other amenities which are required to be done by the requisition body. Learned Special Government

Pleader for the appellant then submitted that the lands were acquired for developing industrial sector and the Reference Court ought to have considered the purpose for which the acquisition is made.

7. Considering the overall facts and circumstances of this case, this Court is of the view that the compensation fixed by the Reference Court is fair. The learned Special Government Pleader for the appellant submitted that Ex.C.3 sale deed reflects higher value. From the evidence adduced before the Reference Court, it is seen that the property which was conveyed through Ex.C.3 appears to be a relevant document reflecting the just market value. No material is produced before this Court to show that Ex.C.3 having regard to the location of the property and other factors cannot be taken as a sale exemplar to fix just compensation to the lands acquired.

8. Learned Special Government Pleader for the appellant has not advanced any argument that the property conveyed under Ex.C.3 is far away from the acquired land nor that the land conveyed under Ex.C.3 has special features. Hence we see that Ex.C.3 dated 18.10.1993 is a document reflecting the market value as on that date. The compensation has to be fixed by taking into account the market value as on the date of 4(1) notification, dated 04.01.1999. In several cases, the addition of 10% per annum towards appreciation of value is accepted.

9. The Hon'ble Supreme Court in ***Ranjit Singh vs Union Territory Of Chandigarh*** reported in ***AIR 1993 SC 227*** and in ***Land Acquisition Officer and Revenue Divisional Officer vs. Ramanjulu and others*** reported in ***2005 (9) SEC 594*** accepted an escalation in market value at ten percent per annum. In ***Krishi Utpadam Mandi Samiti, Sahaswan vs. Bipin Kumar*** reported in ***(2004) 2 SCC 283***, the Hon'ble Supreme Court has accepted escalation of 15% per annum. However in remote or rural areas, the escalation in market value may be 5% to 7.5% per annum. The acquisition in this case is in a fast developing area near Chennai. Hence atleast 50% can be added to the market value reflected in Ex.C.3 to arrive at the market value as on the date of 4(1) notification. The document Ex.C.3 shows the market value as on 18.10.1993 is 6,510 per sq.ft. If 50% is added, the market value as on the date of 4(1) notification would be Rs.9,765/- per cent. The reference

Court has fixed compensation by taking market value at Rs.4,560/- per cent. Therefore, the deduction is more than 50% and hence no further deduction towards development is required.

10. The acquisition is for an industrial purpose. The acquisition may be in respect of a large extent of land. Having regard to the nature of evidence in this case about potentiality, this Court can infer that lands around acquired lands are already developed and suitable for any purpose. The acquisition is about 23 years back invoking emergency provision. Hence, even enquiry under Section 5-A of the Act was dispensed with. The Land Acquisition Officer discarded many documents of sale as they were in respect of house sites in layouts. With the enhanced amount, the claimants may not get or purchase one tenth of the land in the same area today. In that view of the matter, this Court is not inclined to interfere with the order of the Reference Court fixing compensation at Rs.4,560/- per cent.

11. Accordingly, these Appeal Suits are dismissed and the common order of the learned Subordinate Judge, Kancheepuram dated

19.07.2011 made in L.A.O.P.Nos.1209, 1208, 1211, 1212, 1213, 1214, 1215, 1216 and 1210 of 2008 respectively is confirmed. Consequently, connected Miscellaneous Petitions are closed. No costs.

[S.S.S.R.J.,] [N.M.J.,]
30.09.2022

Speaking order / Non-speaking order
Index : Yes / No
Internet : Yes

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To

1.The Subordinate Judge,
Kancheepuram.

2.The Special Tahsildar (LA),
SIPCOT TACID DIVISION,
Oragadam Scheme,
Irungattukottai,
Sriperumbudur Taluk.

S.S.SUNDAR, J.,
AND
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