IN THE HIGH COURT OF JUDICATURE AT MADRAS

Order reserved on : 15.10.2025	Order pronounced on : 07.11.2025

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THE HONOURABLE MR JUSTICE P.B. BALAJI

CRP.No.982 of 2023

& CMP.No.7291 of 2023

The Special Tahsildar,
Radial Road Scheme,
Tambaram. ... Petitioner

Vs.

1.RAS Adyar Hotel Private Limited,
Rep. by its Chairman & Managing Director,
Justice V.Ramaswami,
No.162, Justice V.Ramaswami Street,
Kamaraj Avenue, Adyar, Chennai – 20.

2.The Land Acquisition Officer,
The District Collector of Kancheepuram,
Kancheepuram. ... Respondents

Prayer: Civil Revision Petition filed under Article 227 of Constitution of India, to set aside the judgment and decree passed in LAOP.No.451 of 2009 dated 29.10.2011 on the file of the Sub-Court, Tambaram.

For Petitioner : Mr.G.Nanmaran
Special Government Pleader

For Respondents : Mr.M.R.Uma Vijayan for R1
Mr.N.Muthuvel,
Government Advocate (CS) for R2

ORDER

The Special Tahsildar/Referring Officer pertaining to Radial Road Scheme, has come forward with the present revision, challenging the judgment and decree of the Subordinate Court, Tambaram in LAOP.No.451 of 2009.

2.I have heard Mr.G.Nanmaran, learned Special Government Pleader for the revision petitioner and Mr.M.R.Uma Vijayan, learned counsel for the 1st respondent/claimant and Mr.N.Muthuvel, learned Government Advocate (CS) for the 2nd respondent.

3.Mr.G.Nanmaran, learned Special Government Pleader appearing for the revision petitioner would submit that the land acquisition proceedings were initiated under the Tamil Nadu Highways Act, 2001. The 1st respondent was owning an extent of 1 acre and 86 cents, out of which, 509 sq.mts (5479 sq.ft) has been acquired, vide Notification under Section 15(2) of the Act dated 25.10.2004. He would further state that paper publication was effected under Section 15(2) on 31.10.2004 and a 15(1) notification was also issued on 25.04.2005 and possession was also taken over by the petitioner on 29.08.2005 under Section 16(2) of the Act.

4.The learned Special Government Pleader would further contend that the Subordinate Court, Tambaram, has erroneously placed reliance on Ex.C12 and Ex.C13, which are both documents that emanated post the notification date and instead of discarding the said documents, the Subordinate Court, Tambaram, has placed reliance on the same to arrive at the compensation amount. In any event, he would also state that the properties which are covered by Ex.C12 and Ex.C13 are situate 5/6 kms and 10 kms away respectively, from the subject property and therefore, the Subordinate Court ought not to have relied on Ex.C12 and Ex.C13.

5.The learned Special Government Pleader would also state that the Court below has erroneously awarded severance compensation, which had been rightly denied by the Land Acquisition Officer. He would further state that the awarding of such severance compensation was arbitrary and totally unwarranted. He would also rely on the sketch, showing the lay of properties to contend that the properties, which have been considered by the Sub-Court are not in any way located near to the property, which is the subject matter of the acquisition.

6.The learned Special Government Pleader would also place reliance on the order passed by the Division Bench in this very same matter, when the petitioner had chosen to prefer an appeal instead of a revision and in A.S.No.358 of 2015. While questioning the entertainment of the appeal instead of a revision, the Division Bench has found that the award of the Reference Court is unsustainable on several counts and that the documents, which have been considered, namely Ex.C12 and Ex.C13 are post notification and that Ex.C13 is only a lease deed, which cannot be reflecting the correct market value. The Division Bench has further stated that there is bound to be increase in prices of land, after acquisition and formation of six lining and widening of the road, namely IT Corridor Express Way and therefore, the documents, which are post notification, cannot be sale exemplars, which can be relied upon.

7.The Division Bench has also held that compensation towards severance of land is unsustainable. While observing the lacuna in the award of the Reference Court, the Division Bench has directed the appeal to be converted as a revision petition under Article 227 of Constitution of India. It is thereafter that the present revision came to be numbered. The learned Special Government Pleader would therefore state that since the Division Bench has already found several and considerable shortcomings in the award of the reference Court, the appeal has to be necessarily allowed as prayed for.

8.Per contra, Mr.M.R.Uma Vijayan, learned counsel appearing for the 1st respondent/claimant would submit that Section 19(5) of the Act mandates an enquiry and the word used is 'shall' which requires a proper enquiry to be conducted. He would point out to the relevant papers in the typed set and contend that on 03.11.2005, no enquiry was conducted and till date, the 1st respondent has not even been served with the copy of the award.

9.As regards the documents that have been relied on by the reference Court, the learned counsel for the 1st respondent would submit that Ex.C11 has not even been considered by the Reference Court, on account of the distance between the property, which is the subject matter of Ex.C11 and the property, which is the subject matter of the acquisition. Insofar as Ex.C12, the learned counsel for the 1st respondent would submit that it was a sale deed which came to be executed by the Court itself and the reference Court has found that it is not even situate far away from the acquisition site and being a distress sale there was absolutely no embargo for the Court to rely upon the consideration in the said document to arrive at the market value of the subject property.

10.The learned counsel for the 1st respondent would further state that the documents in Ex.C12 and Ex.C13 cannot even be doubted since one of the documents is executed by the Court and the genuineness of document in Ex.C12 also can never be called in question as the Official Liquidator of the Madras High Court has conveyed the property under the said document.

11.Insofar as Ex.C13, the learned counsel for the 1st respondent would contend that it is a lease deed executed in February 2009 by Tamil Nadu Industrial Development Corporation Limited as lessor in favour of TRIL

INFOR Park Limited and therefore, the genuineness of the said document can also not be called in question and there is absolutely no error committed by the Reference Court in placing reliance on Ex.C12 and Ex.C13. The learned counsel for the 1st respondent would also submit that the Division Bench of this Court in the *Special Tahsildar (LA), Krishna Water Supply Project Unit – 3, Tiruvallur, Vs. Rathinareddi*, reported in *(2003) 1 M.L.J 781*, held that the market value has to be fixed on the basis of comparable sale transactions fetching the maximum price and most advantageous to the claimant has to be considered and the Court can do some guesswork in fixing the market value.

12.The learned counsel for the 1st respondent would also rely on the decision of the Division Bench of this Court in *M/s.Tube Investments of India Limited, Madras Vs. the Special Tahsildar (Land Acquisition), Miscellaneous Scheme, Madras*, reported in *(2004) 3 M.L.J 367*, where the Division Bench of this Court approved of placing reliance on the documents post notification and even pre-notification and held that higher or lower compensation by appreciation or depreciation should be applied at 10% for every year.

13.Another Division Bench of this Court in *Special Deputy Collector, (Land Acquisition), Chennai Metropolitan Development Authority, Chennai – 8, Vs. R.Durai and others*, reported in *(2006) 3 M.L.J 823*, also held that enhancement can be taken at 10% for every year, if reliance is placed on a sale deed, which is prior to the date of notification.

14.Yet another Division Bench of this Court in *the Special Tahsildar (Land Acquisition) Krishna Water Supply Project Scheme, Tiruvallur, Vs. C.Natesan and others*, reported in *2000 (IV) CTC 440*, approved of fixing land price based on a sale transaction which took place after Section 4(1) notification. The Division Bench held that the sale of land on or about the date of issuance of notification can be the best piece of evidence determining the market value of the acquired land and if no such evidence is available, the Court can look into and consider post notification transactions as that can guide the Court in fixing the market value of acquired lands under certain conditions.

15.In fact, the Hon'ble Supreme Court in *Administrative General of West Bengal Vs. Collector, Varanasi*, reported in *AIR 1988 SC 943*, also held that subsequent transactions which are not proximate in point of time to the acquisition can be taken into account for the purposes of determining whether as on the date of acquisition, there was an upward trend in the prices of land in the area.

16.Similar view was taken in *Chimanlal Hargovinddas Vs. Special Land acquisition Officer, Poona and another*, reported in *AIR 1988 SC 1652*, where also the Hon'ble Supreme Court held that post notification documents can be taken into account if they are proximate, genuine and acquisition itself has not motivated the purchaser to pay a higher price on account of the resultant improvement in development prospects.

17.In *Karan Singh Vs. Union of India*, reported in *1997 8 SCC 186*, the Hon'ble Supreme Court held that consideration in terms of the price received for land under bonafide transaction on the date of notification under Section 4 of the Land Acquisition Act or few days before or after issuance of notification would generally show the market value of the acquired land and often such evidence would not be available and therefore even a transaction of sale after issuance of notification can guide the Court in fixing the market value of acquired lands under certain conditions.

18.Another Division Bench of this Court in *the Special Tahsildar (LA) Venbakottai Reserved Projects Scheme Unit No.1, Srivilliputhur Vs. Chinna Veerasami Naicker and others*, reported in *A.Nos.122 to 125 of 1988* dated *10.01.1995*, applied capitalization method to assess the market value.

19.The Hon'ble Supreme Court in *Periyar and Pareekanni Rubbers Limited Vs. State of Kerala*, reported in *AIR 1990 SC 2192*, held that the Court should adopt a pragmatic approach in assessing the market value and that in such process, there is trench on the border of guesswork, but however, misplaced sympathy or undue emphasis on the claimant's right to compensation alone would result in placing heavy burden on the public exchequer which would in turn affect everyone by way of direct or indirect taxes.

20.Another Division Bench in *Sub-Collector, Padmanabhapuram, Thakkalai Village, Kalkulam Taluk, Kanyakumari District Vs. R.S.Raveendran*, reported in *(2005) 4 M.L.J 510*, held that the claimants are entitled to interest on Solatium at the same rate as payable to the excess compensation and additional amount.

21.The Hon'ble Supreme Court, in *Allarakha K.Mansuri Vs. State of Gujarat*, reported in *AIR 2002 SC 1051,* held that there is no bar for awarding compensation more than the amount claimed by the claimant.

22.I have carefully considered the submissions advanced by the learned counsel on either side. I have also gone through the evidence available on record before the reference Court. I have also carefully gone through the judgment and decree of the Reference Court, enhancing the compensation.

23.Insofar as the documents that have been relied on by the Reference Court, Ex.C11 has been rejected even by the Reference Court as the property which is subject matter of Ex.C11 is situate far away from the acquired property. The Reference Court has also found that the award does not even mention the documents on which the District Collector has placed reliance on to fix the market value and that even before the Reference Court, Referring Officer has not adduced any oral or documentary evidence on their side to establish that the compensation awarded at Rs.137.40/- per sq.ft is just and proper. In the absence of any other document, the Reference Court cannot be faulted for considering Ex.C12 and Ex.C13.

24.The property, which has been acquired from the petitioner, lies in Rajiv Gandhi Salai which is also popularly known as OMR (Old Mahapalipurm Road). The entire stretch has been declared as an IT Corridor/Express Way. Ex.A16, sketch shows that the Express way runs to a length of almost 20 kms and several IT Parks are situate on either side of the road. Therefore, there can be no second opinion that the property which has been acquired from the petitioner is situate in a very highly commercial locality and consequently, possesses good commercial value.

25.Ex.C11 relates to a property, which is situate in Adyar and one ground has been sold for Rs.41,25,000/- in the year 2008. The Reference

Court has rightly rejected the document, holding that the claimants have not established the proximity between the property, which is subject matter of Ex.C11 and also finding that it is no where seen in Ex.A16 sketch. Ex.C12 is admittedly a document that has been executed by the Official Liquidator of the Madras High Court. It is in the year 2006. Ex.C13 is a lease deed executed by TIDCO in the year 2009. No doubt, both these documents are post notification registered documents.

26.Applying the ratio laid down by the Division Benches of this Court as well as the Hon'ble Supreme Court, the Reference Court has held that it is permissible to rely on post notification documents, and by allowing depreciation of 10% for each year. Admittedly, Ex.C12 is a sale deed executed by this Court through the Official Liquidator and even Ex.C13 is a document, which has been executed by way of a lease by a Government Corporation, TIDCO in favour of a private IT Park.

27.As rightly contended by Mr.M.R.Uma Vijayan, both Ex.C12 and Ex.C13 cannot be suspected as the parties to these documents, especially when the vendors are this Court through its Official Liquidator and the State of Tamil Nadu through one by its wings, namely the Corporation. The sale exemplar which is the sale effected by the Official Liquidator of the Madras High Court cannot also be contended by the petitioner, that it is for an exaggerated market value.

28.Though it is contended by the learned counsel for the petitioner that even if post notification documents can be considered even then the properties which are subject matter of Ex.C12 and Ex.C13 are very far away from the property which is subject matter of the acquisition. However, on perusal of Ex.A16, sketch, I find that the properties are also situate only on the IT Corridor and a mere fact that they fall under different villages would not in any manner affect the market value of these properties, which are situate bang on the IT Corridor.

29.Even forgetting Ex.C13, lease deed, which may not throw light on the market value of the land being only a lease deed, I find that Ex.C12 relates to a property which is situate less than a kilometer away from the lands which are subject matter of acquisition and the market value which is disclosed in the sale deed executed by this Court through its Official

Liquidator of this Court is Rs.2238.87 s per sq.ft. In fact, the sale by the Official Liquidator is nothing but a distress sale and therefore, the sale consideration reflected in the said document would certainly be only on the lower side, than the actual market price that the property would have fetched in the open market. Therefore, it would be absolutely safe to rely on Ex.C12 and the petitioner cannot complain that it has been prejudiced because of adoption of the value reflected in Ex.C12. The petitioner has therefore established that the value in Ex.C12 is not affected by the acquisition and therefore comes within the special exception, in order for the Court to rely on the same.

30.The Reference Court has in fact adopted the ratio laid down by the Division Bench of this Court in *the Special Tahsildar (LA), Krishna Water Supply Project Unit -3, Tiruvallur Vs. Rathinareddy*, reported in *(2003) 1 M.L.J 781*, and arrived at the probable market value by applying 10% deduction for each year and balancing the market values for the relevant notification date and fixed Rs.5,000/- as the market value for the lands acquired from the 1st respondent.

31.The Reference Court has taken note of the fact that the acquired property is more valuable than the property in Ex.C13 and the frontage of the acquired property is itself 315 running feet abutting the main road and taking into account all these factors, has arrived at Rs.5,000/- to be the per sq.ft rate.

32.Applying the ratio laid down by the Hon'ble Supreme Court as well as various Division Benches of this Court that have been discussed herein above, I do not find any infirmity or error committed by the Reference Court in arriving at Rs.5,000/- per sq.ft. The said findings are on proper consideration of multifarious factors, advantages of the property and also rightly keeping in mind the principles laid down by the Hon'ble Supreme Court as well as the Division Benches of this Court.

33.However, insofar as the severance compensation awarded to the tune of Rs.20,00,000/-, I do not find the same to be sustainable. No doubt, CMDA extends special facilities for IT Parts and allows a liberal FSI, up to 3.75 compared to 2 or 2.5 FSI for other properties. However, absolutely no reasons have been assigned to quantify the severance compensation at

Rs.20,00,000/-. In any event, when the Court has already factored the advantages that are available to the acquired property in even arriving at the higher compensation of Rs.5,000/- per sq.ft, the Reference Court ought not to have awarded an additional compensation under the head 'severance compensation', that too, without assigning any reasons for quantifying the same at Rs.20,00,000/-. Therefore, I am inclined to set aside the award of compensation under the head 'severance of land' alone.

34.Though the Division Bench of this Court expressed certain shortcomings in the findings of the Reference Court at the time of admission and referred to Ex.C12 and Ex.C13, being post notification documents, it was only an order that was passed at the time of admission of the appeal and only on a *prima facie* consideration of the grounds raised by the revision petitioner. The said order was passed even before the respondents entered appearance in the matter and therefore, I do not find that the *prima facie* findings regarding Ex.C12 and Ex.C13 would have any binding effect at the time of final disposal of the present revision.

35.In fine, the Civil Revision Petition is partly allowed, by confirming the award of compensation at Rs.5000/- per sq.ft, but however, the award of Rs.20,00,000/- under the head 'severance of land' alone is set aside. There shall be no order as to costs. Connected Civil Miscellaneous Petition is closed.

07.11.2025

Neutral Citation: Yes/No
Speaking Order/Non-speaking Order
Index : Yes / No
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To

1.The Sub-Court, Tambaram.

2.The Land Acquisition Officer,
The District Collector of Kancheepuram,
Kancheepuram.

3.The Special Tahsildar,
Radial Road Scheme,
Tambaram.

P.B. BALAJI,J.

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Pre-delivery order made in

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