



A.S.No.707 of 2019

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 03.11.2025
PRONOUNCED ON : 14.11.2025

CORAM

THE HONOURABLE DR.JUSTICE A.D.MARIA CLETE

A.S. No.707 of 2019
and
Cross Obj. No. 67 of 2025

A.S.No.707 Of 2019:

The Superintending Engineer And
Administrative Officer,
Thermal Power Project,
Mettur Dam.

...Appellant

Vs.

Chinnappa Reddy (died)

1.P.C.Gopal Reddy,
S/o.Late Chinnappa Reddy,
Pudureddiyur,
Karuppureddiyur Post,
P.N.Patty Village,
Mettur Taluk.

2.C.Rajamanickam,
S/o.Late Chinnappa Reddy,
42/194, V.O.C.Nagar,
Thangamapuripattinam,
Mettur R.S.,
Mettur Dam – 2.



A.S.No.707 of 2019

*Amended As Per Order In I.A.No.93/2009 Dated 14.09.2009

WEB COPY

3.The Special Tahsildar (LA)
Thermal Power Project,
Now Rep., By The RDO Mettur.

...Respondents

PRAYER: Appeal Suit filed under Section 54 of the Land Acquisition Act, praying to set aside the Judgment and decree dated 25.04.2017 made in L.A.O.P.No.43 of 1999 on the file of the subordinate Judge, Mettur and allow the above first appeal and pass such further or other orders as this Court may deem fit and proper and thus render justice.

For Appellant : Ms.Hemalatha Gajapathy, Advocate.

For Respondents : Mr.D.Lakshmipathy for R1 & R2.
Mr.G.Nanmaran, Special Government
Pleader & Mr.V.Venkateseshaiya, Government
Advocate For R3.

Cross Objection No.67 of 2025:

Chinnappa Reddy (died)

1.P.C.Gopal Reddy,
S/o.Late Chinnappa Reddy,
Pudureddiyur,
Karuppureddiyur Post,
P.N.Patty Village,
Mettur Taluk.

2.C.Rajamanickam,
S/o.Late Chinnappa Reddy,
42/194, V.O.C.Nagar,
Thangamapuripattinam,
Mettur R.S.,



A.S.No.707 of 2019

Mettur Dam – 2.

...Cross Appellants

Vs.

1.The Superintending Engineer And
Administrative Officer,
Thermal Power Project,
Mettur Dam.

2.The Special Tahsildar (LA)
Thermal Power Project,
Now Rep., By The RDO Mettur.

...Respondents

PRAYER: Cross Objection filed under Order 41 Rule 22 of the Code of Civil Procedure praying to set aside the award dated 25.04.2017 made in L.A.O.P.No.43 of 1999 on the file of the Subordinate Court, Mettur and enhance the compensation by allowing this cross appeal and pass such order orders as this Court may deems fit and thus render justice.

For Petitioners : Mr.D.Lakshmipathy, Advocate.

For Respondents : Ms.Hemalatha Gajapathy, Advocate for R1.
Mr.G.Nanmaran, Special Government
Pleader & Mr.V.Venkataseshaiya, Government
Advocate for R2.

COMMON JUDGMENT

Heard.

2.This Appeal Suit is filed by the Superintending Engineer and



A.S.No.707 of 2019

Administrative Officer, Thermal Power Project, Mettur Dam, under Section 54 of the Land Acquisition Act, 1894, challenging the judgment and decree dated 25.04.2017 made in L.A.O.P. No. 43 of 1999 on the file of the Subordinate Judge, Mettur. By the said judgment, the Reference Court enhanced the compensation from Rs.7,000/- per acre, as fixed by the Land Acquisition Officer, to Rs.30,000/- per acre, together with statutory solatium and interest. The landowners have preferred Cross Objection No. 67 of 2025 seeking enhancement to Rs.40,000/- per acre and consequential recalculation of statutory benefits.

3.The brief background of the case is that acquisitions for the Thermal Power Project, Mettur Dam have been made through the issuance of notification under Section 4(1) of the Land Acquisition Act on 28.02.1983. The claimants' lands measuring 4.39 acres in S.No.463/2, P.N. Patty Village, Mettur Taluk, were acquired under the Award No.16/88-89 dated 15.06.1988.The Land Acquisition Officer after examining 47 data-sale transactions fixed the market value of Rs.7,000/- per acre and Rs.50/- per Palmyrah tree. Dissatisfied with the said award, the landowners sought reference under Section 18 of the Land Acquisition Act, contending that the



compensation was grossly inadequate.

4.Before the Reference Court, the claimants contended that the acquired lands were of high potential value. They relied on sale deeds (Exs.C1 and C2) which showed much higher prices, and also referred to earlier awards by the Sub Court, Salem under Ex.C5 fixing higher rates for similarly situated lands. The respondents argued that the acquired lands were classified as Dry land, situated adjacent to the Vanavasi Pakkanadu Reserve forest, and that the Land Acquisition Officer had correctly fixed Rs.7,000/- per acre after considering all relevant factors.

5.Upon considering the evidence, both oral and documentary, the Reference Court held that the Land Acquisition Officer had not properly considered comparable sale transactions or the potential of the land. Based on prior judicial determinations in similar acquisition proceedings, the Reference Court enhanced the market value to Rs.30,000/- per acre and confirmed the valuation of trees at Rs.50/- each.

6.Aggrieved by this enhancement, the appellant (TNEB) preferred the



present Appeal Suit contending that the Reference Court adopted earlier judgments without independent evaluation, that the acquired lands were rocky, dry, and not suitable for habitation or industry, and that the compensation already awarded was just and reasonable. It was also contended that enhancement would impose a financial burden on a public utility undertaking, and that employment benefits extended to one of the claimants' family members should offset any loss claimed.

7.The claimants have filed Cross Objection No. 67 of 2025 seeking further enhancement of compensation to Rs.40,000/- per acre. They submit that this Court, by judgment dated 16.04.2019 in A.S. Nos. 522 to 560 of 2010, enhanced the rate to Rs.40,000/- per acre for lands acquired under the very same notification and for the same purpose, namely, the Mettur Thermal Power Project. They also contend that the Reference Court erred in waiving interest for the period between 24.09.1999 and 13.08.2008, despite the non-deposit of compensation during that time.

8.The points that arise for determination in this appeal are: (i) whether the Reference Court was justified in fixing compensation at Rs.30,000/- per



A.S.No.707 of 2019

acre; (ii) whether the claimants are entitled to enhancement in line with the decision of this Court in A.S. Nos. 522 to 560 of 2010; and (iii) whether the waiver of interest for the delayed period is legally sustainable.

9.This Court has carefully perused the records and the judgment of the Reference Court. It is now settled through a appeal arising from the very same acquisition scheme that this court has taken a view in favour of the landowners in A.S. Nos. 522 to 560 of 2010, decided on 16.04.2019. In that batch of appeals, the Division Bench of this Court enhanced the compensation from Rs.30,000/- to Rs.40,000/- per acre, holding that the lands possessed similar potential and fertility, and that uniformity in compensation was required to avoid disparity among landowners whose properties were acquired under the same notification. The relevant paragraphs are extracted below:

“9. The Reference Court rightly relied upon Exs.C1 to C3. When the sale deeds produced show higher amount, inter alia, the same will have to be taken into consideration. However, we find that the Reference Court having accepted Exs.C1 to C3 ought to have granted higher amount than the one asked for. Certainly, the lands mentioned thereunder are similar in nature, apart from being developed. Therefore, development charges will have to be deducted. The deduction of the



A.S.No.707 of 2019

development charges depends on the various factors. In the case on hand, the Reference Court did not take into consideration the higher value, but merely took into consideration Ex.R47, the document having lesser value. In the case of cross objections, a sum of Rs.40,000/- atleast ought to have been paid.

10. We find considerable force in the submission made by the counsel appearing on behalf of the land owners. There is nothing on record to suggest that the data sale deeds relied under Exs.C1 to C3 have got no connection with the acquired lands. May be the place will be little far away from the acquired lands. After all, we are dealing with a case where the cross-objectors are seeking only a sum of Rs.40,000/- per acre. The classification made by the Land Acquisition Officer, in our considered view, cannot be sustained. As rightly held by the Reference Court, the Land Acquisition Officer by fixing the valuation has not made personal inspection of the lands. It is not as if the lands were not irrigated at all. They have been irrigated with wells and tanks, apart from digging water from the nearby streams. There is no contra material to controvert the findings rendered by the Reference Court in this regard .

11. Much reliance has been made on Ex.C4. Ex.C4 also



A.S.No.707 of 2019

involves the award passed in the year 1985. In the aforesaid award, which is the subject matter of Ex.C4, a sum of Rs.30,000/- has been fixed per acre while rejecting the contention of the appellants on the basis of classification based upon revenue records. We also hold that any classification based upon revenue records per se cannot be accepted. Thus, we are inclined to enhance the amount to Rs.40,000/- per acre by allowing the cross-objections by taking into consideration Exs.C1 to C3 also. In such view of the matter, we are of the view that Ex.C4 being an award passed by the Reference Court will not stand in the way of awarding enhanced compensation. After all, the land owners seek only Rs.10,000/- more than what has been granted by the Reference Court as against the claim sought for.”

10.In view of this determination 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 are no longer open for reconsideration in the face of the later judgment.

11.As regards interest, this Court finds substantial merit in the



A.S.No.707 of 2019

contention of the claimants/cross-objectors that the waiver of interest granted by the Reference Court for the period between 24.09.1999 and 13.08.2008 is contrary to the mandate of Section 34 of the Land Acquisition Act, 1894. Under the said provision, when compensation is not paid or deposited before taking possession of the land, the Collector is bound to pay the amount awarded with interest thereon at the rate of 9% per annum for the first year from the date of taking possession and 15% per annum thereafter, until such payment or deposit is actually made.

12.In the present case, the acquisition authority has not produced any evidence to establish that the compensation was deposited within the statutory time frame. Hence, the claimants are entitled to interest for the entire period of delay until the date of actual deposit. The waiver of interest directed by the Reference Court for the said period is therefore set aside.

13.The valuation of trees at Rs.50/- per tree and the other components of the award are supported by proper evidence and do not warrant interference. The enhancement of the land value alone is therefore justified, and the claimants shall be entitled to all statutory benefits, including solatium,



additional amount, and full interest as provided under the Act.

14. In view of the foregoing discussion and in the light of the judgment of this Court in A.S. Nos. 522 to 560 of 2010, this Court holds that the respondents/claimants are entitled to the following:

- (a) Compensation at the rate of Rs.40,000/- (Rupees Forty Thousand only) per acre;
- (b) 30% solatium under Section 23(2) of the Land Acquisition Act;
- (c) 12% additional amount under Section 23(1A) of the Act from the date of publication of the Section 4(1) Notification till the date of award or possession, whichever is earlier; and
- (d) Interest under Sections 28 and 34 of the Act at 9% per annum for the first year from the date of taking possession and at 15% per annum thereafter, until the date of actual deposit of compensation.

All monetary benefits shall be computed and disbursed in accordance with these directions.

15. The appellant/acquiring authority is directed to recalculate and pay the enhanced compensation along with all statutory benefits and accrued interest within a period of three months from the date of receipt of a copy of this judgment. Any amount already paid shall be duly adjusted while



A.S.No.707 of 2019

computing the balance payable.

16. Accordingly, A.S. No. 707 of 2019 stands dismissed, and Cross Objection No. 67 of 2025 is allowed in part. The compensation for the acquired lands is enhanced from Rs.30,000/- per acre to Rs.40,000/- per acre, together with all statutory additions and full interest as specified above. There shall be no order as to costs. Connected miscellaneous petitions, if any, are closed.

14.11.2025

ay

Index: Yes / No

Speaking Order / Non-speaking Order

Neutral Citation: Yes / No

To

1. The Subordinate Judge, Mettur.

2. The Superintending Engineer And
Administrative Officer,
Thermal Power Project,
Mettur Dam.

3. The Special Tahsildar (LA)
Thermal Power Project,
Now Rep., By The RDO Mettur.

4. The Section Officer,
V.R. Section,



A.S.No.707 of 2019

High Court Of Madras.

WEB COPY



WEB COPY



A.S.No.707 of 2019

DR. A.D. MARIA CLETE, J

ay

PRE-DELIVERY JUDGMENT MADE IN
A.S. No.707 of 2019

14.11.2025