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A.S.No.498 of 2025 and a batch of cases

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 21..04..2025

CORAM

THE HONOURABLE MR.JUSTICE N. SATHISH KUMAR

A.S.Nos.498, 502, 508, 514, 515, 516, 517, 518, 519,
520, 521, 522, 523, 525, 526, 527, 528, 530, 533, 535, 536,
537, 538, 540, 552 of 2025, 979 of 2024, 573 & 574 of 2025

AND

C.M.P.No.7434, 7503, 7620, 7900, 7902, 7906, 7909,
7912, 7933, 7934, 7947, 7986, 7997, 8105, 8106,
8110, 8112, 8137, 8173, 8177, 8180, 8183, 8185,
8397, 9023 of 2025, 26409 of 2024, 9996 of 2025, 9999 of 2025

.....

A.S.No.498 of 2025:

G.Dhasarathan

.... Appellant

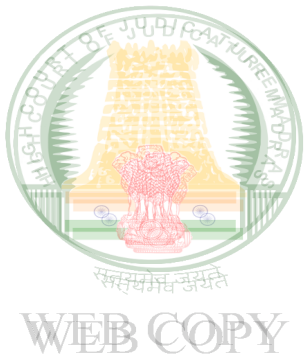
-Versus-

1.The Special Tahsildar (LA) Unit II,
Kannankottai Village,
Gummidippoondi Taluk,
Tiruvallur District.

2.The Executive Engineer,
Water Resources Department
Public Works Department,
Redhills, Tiruvallur District.

.... Respondents

Appeal filed under Section 74 of The Right to Fair Compensation and
Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013
praying to enhance the compensation awarded by the learned Principal District
Judge, Tiruvallur, order dated 22.02.2024 made in L.A.O.P.No.73 of 2019.



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<i>For Appellant in all Appeal Suits</i>	:	<i>Mr.B.S.Jhothiraman</i>
<i>For Respondents 1 & 2 in all Appeal Suits</i>	:	<i>Mrs.R.Anitha, Special Government Pleader</i>

COMMON JUDGEMENT

The appellants, who are the claimant(s) in the LAOP references before the reference court, have come up with present appeal suits challenging the inadequacy of the enhanced compensation granted by the Reference Court (Principal District Judge) at Tiruvallur, by common order dated 22.02.2024 L.A.O.P.No.608 of 2021 and a batch of cases. The 1st respondent is the LAO and 2nd respondent is the requiring body.

2. No cross-objections were filed either by 1st respondent/LAO or the 2nd respondent/requiring body as against the enhancement of compensation by the reference court.

3. For the sake of convenience and for easy reference, the appellant(s) in these appeal suits will be referred to as the claimants, while the 1st respondent will be referred to as the LAO, and the 2nd respondent will be referred to as the



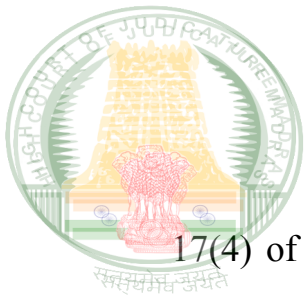
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requiring body wherever the context so requires.

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4. A vast extent of patta land situated in Kannan Kottai and Thervoy Kandigai Villages, Gummidipoondi Taluk, Tiruvallur District, including the lands belonged to the claimants herein and several other landowners, was proposed to be acquired for the formation of Kannan Kottai-Thervoy Kandigai Reservoir.

5. Originally notifications under Section 4(1) of the Land Acquisition Act, 1894, were issued on different dates between 06.06.2013 and 24.07.2013 in the Tamil Nadu Gazettes declaring that the lands belonging to the claimants and a few other landowners situated in Kannan Kottai and Thervoy Kandigai Village were needed for a public purpose for the formation of Kannankottai Thervoy Kandigai Reservoir Scheme Land Acquisition work and the same were published in the official gazette and also in the local Tamil and English daily newspapers. As it became necessary to acquire immediate possession of the lands specified in the schedule to the respective 4(1) Notifications, the Government invoked urgency provision under the provisions of sub-section (1) of Section 17 of the LA Act and as such, enquiry under Section 5-A of the LA Act, 1894, was dispensed with, invoking the emergency clause under Section



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17(4) of the LA Act, 1894. Thereafter, declarations as required Section 6 of the LA Act, 1894, came to be issued. As there were legal tangles and writ petitions and writ appeals at the instance of the claimants pending before this court, the land acquisition proceedings had got delayed.

6. In the meantime, pending award enquiries in the acquisition proceedings, the new Act called “The Right to Fair Compensation and Transparency in Land acquisition, Rehabilitation and Resettlement Act, 2013” [for short “**RFCTLARR Act, 2013**”] came into force with effect from 01.01.2014 and therefore, pursuant to the Government Orders and Executive Orders, the acquisition proceedings were to be continued under the RFCTLARR Act, 2013 in view of the specific provision under Section 24(1) (a) of the RFCTLARR Act, 2013. Accordingly, final awards were passed block-wise in terms of the provisions contained in RFCTLARR Act, 2013. The lands owned by the claimants are covered under Award Nos.3 of 2013 dated 16.04.2018; 4 of 2013 dated 03.04.2018; 4 of 2013 dated 30.04.2018; 5 of 2013 dated 12.04.2018; 5 of 2013 dated 01.06.2018; 7 of 2013 dated 09.04.2018; 1 of 2014 dated 09.04.2018; 1 of 2014 dated 16.04.2018; 1 of 2014 dated 24.04.2018; 2 of 2014 dated 09.07.2018; 3 of 2014 dated 17.04.2018; 4 of 2014 dated 16.09.2020; 5 of 2014 dated 17.04.2018; and 6 of



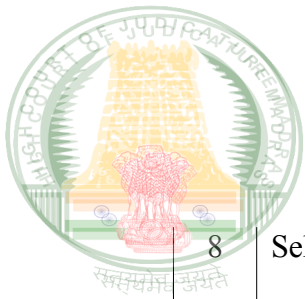
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2014 dated 06.04.2018.

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7. The details of the lands comprised in different survey numbers situated at Kannan Kottai and Thervoy Kandigai villages, which had been acquired from the claimants and at whose behest references were made for enhancement of compensation (which had been taken as LAOPs), and the details of the appeal suits filed by the aggrieved claimants over the inadequacy of the compensation fixed by the reference court are as follows:

Sl No.	Name	Appeal Suit No.	L.A.O.P. No.	Survey No.	Extent of land acquired (in Ares)	Award No. & Date
		2025				
1	G.Dhasarathan	498	73 of 2019	201/7 215/14 215/15 Total	0.06.5 0.08.5 0.02.5 0.17.5	5 of 2014 17.04.2018
2	G.Dhasarathan	502	121 of 2020	171/7 172/2 172/4 Total	0.19.5 0.05.0 0.11.0 0.35.5	3 of 2014 17.04.2018
3	S.Baskar	508	5 of 2020	202/3	0.10.5	5 of 2014 17.04.2018
4	Vijayakumar	514	127 of 2020	161/2	0.11.5	1 of 2014 24.04.2018
5	M.Ravichandran	515	166 of 2020	287/3 288/5A Total	0.09.0 0.05.0 0.14.0	3 of 2013 16.04.2018
6	G.Mohan	516	66 of 2019	286/5	0.06.5	3 of 2013 16.04.2018
7	Sekar	517	161 of 2020	295/13 295/14 295/15 320/0 Total	0.06.0 0.16.5 0.06.0 0.10.0 0.38.5	2 of 2014 09.07.2018



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8	Sekar	518	210 of 2020	320/3 320/7 Total	0.06.0 0.09.5 0.15.5	2 of 2014 09.07.2018
9	G.Mohan	519	157 of 2020	152/4	0.09.5	4 of 2013 03.04.2018
10	G.Mohan	520	160 of 2020	152/5	0.09.5	4 of 2013 30.04.2018
11	Sanjeevi Naidu	521	67 of 2019	4/5	0.19.0	1 of 2014 09.04.2018
12	P.Selvam	522	180 of 2020	288/7	0.10.0	3 of 2013 16.04.2018
13	P.Selvam	523	218 of 2020	281/5 282/3 Total	0.05.0 0.12.0 0.17.0	5 of 2013 12.04.2018
14	D.Srinivasan	525	97 of 2020	179/4 179/5 185/2 Total	0.20.0 0.14.0 0.07.5 0.41.5	5 of 2013 01.06.2018
15	D.Srinivasan	526	108 of 2020	192/1 192/4 Total	0.23.0 0.03.0 0.26.0	6 of 2014 06.04.2018
16	M.Ravichandran	527	188 of 2020	153/3	0.04.0	4 of 2013 30.04.2018
17	Vijayakumar	528	181 of 2020	161/3G	0.13.5	1 of 2014 24.04.2018
18	G.Dhasarathan	530	93 of 2020	172/1 171/6 171/5B 1 Total	0.05.5 0.08.5 0.08.5 0.22.0	3 of 2014 17.04.2018
19	M.Ravichandran	533	114 of 2020	149/4	0.06.5	6 of 2013 06.04.2018
20	J.Beema Rao	535	190 of 2020	217/4 217/8 Total	0.03.5 0.14.5 0.18.0	6 of 2014 06.04.2018
21	Sekar	536	102 of 2020	320/5	0.09.5	2 of 2014 09.07.2018
22	Sekar	537	179 of 2020	323/8 323/10 Total	0.10.0 0.10.5 0.20.5	1 of 2014 16.04.2018
23	Sanjeevi Naidu	538	105 of 2020	151/3A 151/4 151/7 Total	0.03.0 0.25.0 0.69.5 0.97.5	4 of 2013 30.04.2018



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24	Govindaraj	540	49 of 2020	330/3A 330/3B 330/7A Total	0.11.0 0.34.5 0.30.5 0.76.0	1 of 2014 16.04.2018
25	P.Thukkaram Naidu	552	107 of 2020	270/2	0.03.0	7 of 2013 09.04.2018
26	J.Beema Rao	573	728 of 2021	179/1 part 179/2 part Total	0.03.5 0.22.0 0.25.0	4 of 2014 16.09.2020
27	G.Mohan	574	192 of 2020	286/4	0.05.5	3 of 2013 16.04.2018
		2024				
28	Thirupathi	979	203 of 2020	317/8 317/18 Total	0.06.0 0.04.0 0.10.0	2 of 2014 09.07.2018

8. Being aggrieved by the compensation awarded by the 1st respondent/LAO, the respective landowners sought reference to the authority concerned individually, the Principal District Judge (Reference Court) at Tiruvallur, to establish their claim for enhancement of compensation. Accordingly, the 1st respondent referred the claim of the landowners to the reference court under Section 64 of the RFCTLAAR Act, 2013.

9. The landowners claimed reference under Section 64 of the RFCTLARR Act, 2013 *inter alia* stating that the market value fixed by the referring officer was too low and disproportionate to the prevailing market value. The annual income from the land was not less than Rs. 1,50,000/- per acre. The lands adjacent to the acquired lands were already converted as house



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sites and are being sold at square foot rate. The acquired lands are situated near the SIPCOT industrial park formed on the border of Kannan Kottai village, and the SIPCOT has let out the lands on lease, and as per the lease deed vide Doc. No. 5266 of 2013 dated 11.09.2013 entered by SIPCOT with M/s. Metal Powder Company Limited, the cost of the plot in Thervoy Kandigai Village was fixed between Rs. 38.50 lakhs and 50.00 lakhs per acre. Therefore, as per the said lease agreement, the market rate of the land in the village is Rs. 1,23,578/- per are. Both the villages were brought within the CMDA limits. Adjacent land was sold for Rs.500/- per square foot even before the notification in the year 2013. The enquiry officer conducted the enquiry in a farcical manner, and no real enquiry was conducted. They are entitled to enhanced compensation under the RFCTLARR Act, 2013, together with all statutory benefits.

10. The LAO objected to the claim of the landowners for enhancement of compensation *inter alia*, contending that there was no proof to support their claim of Rs.50,000/- per cent as compensation. The market value claimed by the landowners is too high. No sale transaction took place at the market value in the vicinity as claimed by the landowners. The claimants are entitled only to compensation under the RFCTLARR Act, 2013. The RFCTLARR Act, 2013

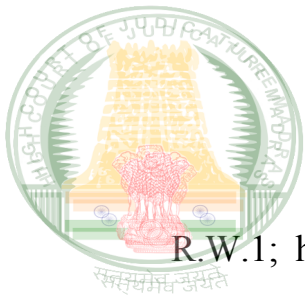


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came into force only with effect from 01.01.2014. The landowners are not entitled to rehabilitation and resettlement benefits introduced under the RFCTLARR Act, 2013 considering the law laid down by the Hon'ble Supreme Court in SLP (C) Nos.663-16632/2018. The final awards passed shall be construed to be awards for all purposes. The claimants have already been paid compensation. The claim made by the landowners for awarding enhanced compensation at Rs.500/- per square foot is unsustainable both in law and on facts.

11.1 The reference court proceeded to conduct a joint trial in all original petitions based on the memo filed by the claimants and endorsed by the learned Government Pleader who appeared for the referring officer and the requiring body, expressing his no objection to conduct a joint trial in all original petitions.

11.2 During the enquiry before the Reference Court, oral and documentary evidence were let in by the parties in the lead case in LAOP No.608 of 2021. On the side of the claimant(s), K.B. Mahesh, the claimant in L.A.O.P. No.608 of 2021, examined himself as C.W.1 and adduced Ex.C.1 to Ex.C.14. On the side of the referring officer, the Deputy Tahsildar (LA), Kannan Kottai - Thervoy Kandigai Reservoir Scheme, examined himself as



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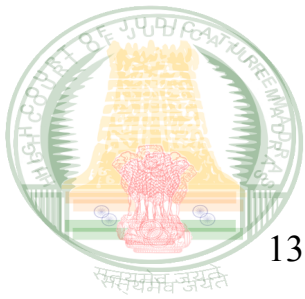
R.W.1; however, no documentary evidence was adduced on the side of the claimants.

11.3. Altogether, 145 LAOPs were dealt with by the reference court (Principal District Judge) at Tiruvallur jointly, and as already stated supra, L.A.O.P.No.608 of 201 was taken to be the lead case.

12. The reference court has formulated the following questions to decide the matters:

- 1) Whether the impugned awards passed by the Land Acquisition Officer (Referring Officer) are fair and just?
- 2) Whether the claimants are entitled to get enhanced compensation? If so, what is the quantum?
- 3) Whether these claim petitions are to be allowed?

13.1 On appreciating the available oral and documentary evidence, the reference court, by common order dated 22.02.2024, found that the market values fixed by the 1st respondent/LAO were not just and fair. The reference court held that the claimants were entitled to get compensation at the enhanced market value together with all other statutory benefits for the enhanced compensation as against the market value fixed by the referring officer.

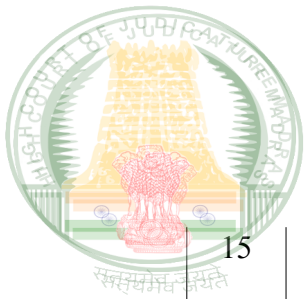


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13.2 The details of the market value fixed by the 1st respondent/LAO and

the market value determined by the reference court by common order under appeal as against the market value fixed by the LAO insofar as the claimants who have preferred appeal suits are as under:-

Sl No.	Appeal Suit No.	L.A.O.P. No.	Market value determined by the LAO Amount in Rupees Per Are	Market value determined by the reference court Amount in Rupees Per Are	Award Number & Date
	2025				
1	498	73 of 2019	Rs.22,240/-	Rs.29,640/-	5 of 2014 17.04.2018
2	502	121 of 2020	Rs.19,770/-	Rs.29,640/-	3 of 2014 17.04.2018
3	508	5 of 2020*			
4	514	127 of 2020	Rs.19,770/-	Rs.29,640/-	1 of 2014 24.04.2018
5	515	166 of 2020	Rs.22,240/-	Rs.29,640/-	3 of 2013 16.04.2018
6	516	66 of 2019	Rs.22,240/-	Rs.29,640/-	3 of 2013 16.04.2018
7	517	161 of 2020	Rs.22,240/-	Rs.29,640/-	2 of 2014 09.07.2018
8	518	210 of 2020	Rs.22,240/-	Rs.29,640/-	2 of 2014 09.07.2018
9	519	157 of 2020	Rs.23,475/-	Rs.29,640/-	4 of 2013 30.04.2018
10	520	160 of 2020	Rs.23,475/-	Rs.29,640/-	4 of 2013 30.04.2018
11	521	67 of 2019	Rs.17,300/-	Rs.29,640/-	1 of 2014 09.04.2018
12	522	180 of 2020	Rs.22,240/-	Rs.29,640/-	3 of 2013 16.04.2018
13	523	218 of 2020*			
14	525	97 of 2020	Rs.19,770/-	Rs.29,640/-	5 of 2013 01.06.2018



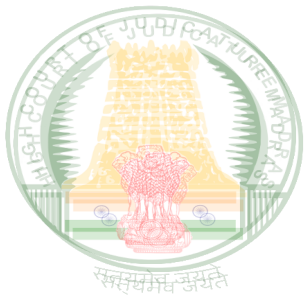
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15	526	108 of 2020	Rs.22,240/-	Rs.29,640/-	6 of 2014 06.04.2018
16	527	188 of 2020	Rs.19,770/-	Rs.29,640/-	4 of 2013 30.04.2018
17	528	181 of 2020	Rs.19,770/-	Rs.29,640/-	1 of 2014 24.04.2018
18	530	93 of 2020	Rs.22,240/-	Rs.29,640/-	3 of 2014 17.04.2018
19	533	73 of 2019	Rs.22,240/-	Rs.29,640/-	5 of 2014 17.04.2018
20	535	190 of 2020	Rs.22,240/-	Rs.29,640/-	6 of 2014 06.04.2018
21	536	102 of 2020	Rs.22,240/-	Rs.29,640/-	2 of 2014 09.07.2018
22	537	179 of 2020	Rs.22,240/-	Rs.29,640/-	1 of 2014 16.04.2018
23	538	105 of 2020	Rs.19,770/- Rs.23,475/-	Rs.29,640/-	4 of 2013 30.04.2018
24	540	49 of 2020	Rs.22,240/-	Rs.29,640/-	1 of 2014 16.04.2018
25	552	107 of 2020	Rs.22,240/-	Rs.29,640/-	7 of 2013 09.04.2018
26	573	728 of 2021	Rs.22,240/-	Rs.29,640/-	4 of 2014 16.09.2020
27	574	192 of 2020	Rs.22,240/-	Rs.29,640/-	3 of 2013 16.04.2018
	2024				
28	979	203 of 2020	Rs.22,240/-	Rs.29,640/-	2 of 2014 09.07.2018

14. The main grounds urged in the appeal memorandum (s) are as follows:

(i) The reference court has overlooked the provisions of Section 26(1) of the RFCTLARR Act, 2013.

(ii) The reference court has adopted the highest



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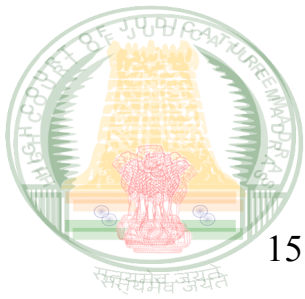
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of sale exemplars instead of adopting the method prescribed under Section 26(1) of the RFCTLARR Act, 2013.

(iii) The reference villages are 60 kilometers away from the Chennai City and therefore, they come under the category of rural area and as such the multiplier method adopted by the reference court is not correct and it should have been '2' instead of 1.25.

(iv) The claim of the claimants in some of the cases for enhanced compensation for superstructure, wells / bore wells, trees and other attachments to the acquired land was not properly considered by the reference court. The order of the reference court setting off the value of superstructure and other assets and things attached to the acquired land for the depreciation value of the acquired land is against law.

(v) The reference court erred in not considering the claim of the landowners for a direction to the authorities concerned to make a provision for burial/cremation ground with all facilities.



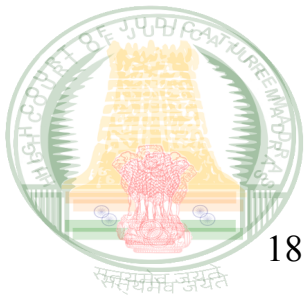
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15. In the light of the above grounds, the points that arise for consideration are:

- (1) Are the claimants/appellants still eligible for higher compensation?
- (2) Whether the claimants, in some of the cases where superstructure, wells/bore wells and trees were involved, are entitled to get enhanced compensation thereof?
- (3) Whether the appellants/claimants are entitled to infrastructural amenities under RFCTLARR Act, 2013?
- (4) To what other relief the appellants/claimants are entitled?

16. Heard the learned counsel for the appellants/claimants and the learned law officer on behalf of the respondents 1 & 2.

17. The learned counsel for the claimants would submit that the reference court has overlooked the provisions of Section 26(1) of the RFCTLARR Act, 2013, which provides a mechanism for the assessment and determination of the market value of the acquired land by the LAO based on the approach which determines the highest amount, out of the two approaches set out in clause (a) and (b) of sub-section (1) of the Section 26 of the RFCTLARR Act, 2013 and has adopted the comparable sale method.



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18. The learned counsel for the claimants/appellants would further submit that the claimants, who stood to lose their lands in view of the acquisition and the acquisition had a significant impact in the livelihood of the claimants; the claimants were therefore unable to mobilize funds for the payment of court-fees as such they had to restrict the claim for enhancement of market value at Rs.50,000/- per are as against the market value determined by the reference court ranging between Rs.14,830/- and Rs.23,475/- per are. However, if this court finds that the market value determined by the reference court per are is on the lower side and the claimants would be entitled to higher compensation, they are ready to pay the appropriate court-fees for the enhanced compensation.

19. Per contra, the learned law officer appearing on behalf of the respondents, while admitting the fact that the cases on hand come under Section 24(1)(a) of the RFCTLARR Act, 2013, and as such, would fairly concede that the entire approach of the reference court while assessing the market value of acquired lands was wrong, as it had overlooked the provision in Section 26 of the RFCTLARR Act, 2013.

20. The law officer would further contend that the notifications for acquisition of various extents of land in the cases on hand were issued between



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06.06.2013 and 24.07.2013, and therefore Ex.C.1 lease deed cannot be taken into consideration. Further, according to them, Ex.C.6 is a sale deed dated 16.12.2013 in respect of 1076 square feet of housing site comprised in S.No.89/7 of Madharpakkam village, Gummidipoondi Taluk. This also cannot be taken into consideration as it relates to post 4(1) notifications and that by that time, considerable development had taken place in the area around the SIPCOT.

21. The law officer would further contend that, Ex.C.5 is also a sale deed relating to a small-sized housing plot. Though the transfer under Ex.C.5 was made on 20.07.2012, which was long before the immediately preceding three years of the year in which the acquisition of land was proposed to be made, it also relates to the transfer of a small-sized housing plot measuring 1317 square feet comprised in S.No.183/2A1A1 of Madharpakkam village, Gummidipoondi Taluk. Therefore, Ex.C.5 sale deed also cannot be taken into consideration since a large extent of land was acquired, and when the acquired land is vast, a small extent of sale transactions, particularly the sale of small-sized housing plots, cannot be taken into consideration for the assessment and determination of the market value of the acquired lands.

22. This court has considered the rival submissions made on the



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determination of market value of the lands acquired from the claimants carefully.

23. The claimants are now left in the lurch after the State, in exercising its eminent domain, compulsorily took away their agricultural holdings, which were their sole source of income. No doubt, the acquisition of lands from the claimants could have had a significant impact on their livelihood, especially when they were dependent on agricultural land for their daily lives and economies.

24. Deprivation of livelihood is a serious concern because it undermines the abilities of the affected families, whose agricultural lands have been acquired by way of compulsory acquisition, to meet basic needs and maintain a decent standard of living. Therefore, undoubtedly, the claimants being land losers and affected by the compulsory acquisition, must be compensated with fair compensation.

25. At the outset, it is relevant to state here that the matters in issue are covered by common judgment dated 28.03.2025 made in A.S.No.1091 of 2024 order dated 22.02.2024 preferred against the common order of the reference court dated 22.02.2024 made in LA.O.P.No.608 of 2021 and a batch of cases.

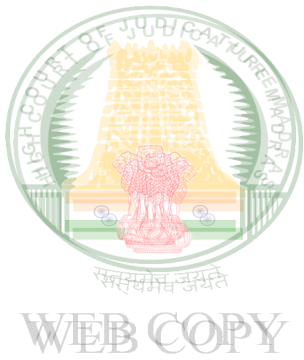
26. This court by the said order recorded a finding that the neither the land acquisition officer nor the reference court did adhere to the provisions of



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Section 26(1) of the RFCTLAR Act, 2013 in determining the market value of the acquired lands at Rs.29,640/- per are by adopting the comparable sales method of valuation of land while fixing the market value instead of assessing (a) market land value as per Indian Stamp Act, 1899 (b) average sale price for similar type of land in the vicinity and adopting the highest of the values as determined by Clauses (a) and (b) to be treated as the market value under Section 26(1) of the Acquisition Act, 2013. It is relevant to mention here that as the acquisition in the instant cases does not involve private companies or public-private partnerships, the provision of clause (c) would not apply. This court further assessed the market value (guideline value) and average sale price as provided under clauses (a) and (b) of sub-section (1) of Section 26 of the RFCTLARR Act, 2013 and since average sale price assessed was higher than the market value (guideline value) specified in the Stamp Act, this court adopted the average sale price and determined the market value of the acquired land at Rs.60,000/- per are as against the market value determined by the reference ranging between Rs.14,830/- and Rs.23,475/- per are.

27. This court does not want to burden this judgment by extracting the entire judgment, and it would suffice if the relevant portions of the judgment were reproduced. They read as follows:



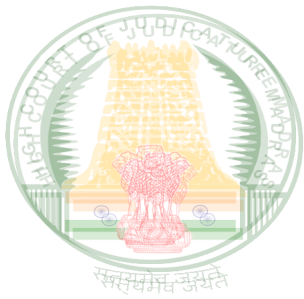
“37. Evidently, as already discussed supra, the LAO had overlooked the provisions in Section 26(1) and failed to adopt the method which assesses the highest market value out of the options as provided under sub-Section (1) of Section 26 of the RFCTLARR, 2013, more particularly the options provided under clauses (a) and (b). On this score the market value determined by the reference court is not sustainable, and this court must necessarily redo the assessment of the market value for the determination of the market value of the acquired land in terms of Section 26(1) of the RFCTLARR Act, 2013, for fixation of fair compensation.

GUIDELINE VALUE AS SPECIFIED IN INDIAN STAMP ACT, 1899:

38. Let us now assess the market value (guideline value) fixed in respect of the lands as specified in the Indian Stamp Act, 1899 for the registration of sale deeds in Kannan Kottai and Thervoy Kandigai village where the acquired lands are situated. It is seen from the available records that the guideline values vary for each survey field. The highest guideline value, as could be seen from the list mentioned above, is found to be Rs.29,655/- per are. Though the lands were acquired in different survey numbers under different acquisition proceedings, indisputably, they were adjacent to each other and are acquired for the same purpose.

39. In the case of **Ali Mohammad Beigh and others v. State of Jammu and Kashmir** [(2017) 4 SCC 717], the Hon’ble Supreme Court has held that it would be unfair to discriminate between the appellants/land owners and the land owners in the other references, when lands located in two different villages in the same neighbourhood are acquired simultaneously and for the same purpose unless there are strong reasons.

40. In the light of the above settled legal position, for the lands acquired from the claimants situated in Kannan Kottai and Thervoy Kandigai village for the purpose of



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formation of a new reservoir, in the absence of any evidence from the respondents demonstrating strong reasons, this court is of the considered view that showing discrimination among the claimants would not be fair. Therefore, as provided under clause (a) of sub-section (1) of Section 26 of the RFCTLARR Act, 2013, based on the materials available on record, this court concludes that the guideline value of the acquired lands could be assessed as Rs.29,655/- per are.

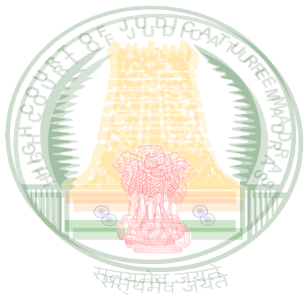
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AVERAGE SALE PRICE:

41. Let us now assess the average sale price as required under clause (b) of sub-section (1) of Section 26 of the RFCTLARR Act, 2013 by considering the sale exemplars registered for similar type of area in the nearby village or nearby vicinity. In the instant case, though acquisition was originally initiated under the LA Act, 1894 and notifications under Section 4(1) of the LA Act, 1894 were issued between 06.06.2013 and 24.07.2013, as already discussed, on the RFCTLAAR Act, 2013 coming into force with effect from 01.01.2014, the market value for acquired lands, will be assessed based on Section 26(1) of the RFCTLARR Act.

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65. On a careful assessment of a total number sale exemplars tabulated already in which the highest sale price has been mentioned coupled with the other available materials and keeping in mind the settled legal position in this regard and also taking judicial notice, this court is of the view that the sale price mentioned in the sale exemplars under Serial Nos. 1 to 19 are not indicative of actual prevailing market value, and therefore, they must be discounted from consideration for the purposes of calculating market value as provided



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under Explanation-4. Therefore, the sale exemplars have to be further reduced. When that is done so, as per Explanations 1 & 2, the total available sale deed is hardly 28. They are tabulated as under:-

Sl.No.	Type d set Vo lu me No	Pa ge No	Sl. No.	Value in Ares	Do c.N o.	Doc. Date
1.	1	229	67	73482	5962	14.12.2011
2.	1	231	88	68090	1487	21.03.2012
3.	1	228	49	61676	4016	07.09.2011
4.	1	225	18	61585	4311	27.10.2010
5.	1	228	50	60860	4017	07.09.2011
6.	1	229	61	60762	4912	31.10.2011
7.	2	498	280	59438	3077	04.06.2012
8.	2	306	17	57966	3071	28.07.2010
9.	1	231	87	55970	1486	21.03.2012
10.	1	225	17	54669	4310	27.10.2010
11.	1	224	5	54340	4914	31.10.2011
12.	2	496	257	54163	3496	31.08.2010
13.	1	225	15	54093	4308	27.10.2010
14.	2	497	273	54086	5291	18.11.2011
15.	3	685	108	54042	3639	17.08.2011
16.	4	776	52	54031	5962	14.12.2011
17.	2	497	275	53985	688	15.02.2012
18.	3	736	118	53956	642	17.02.2011

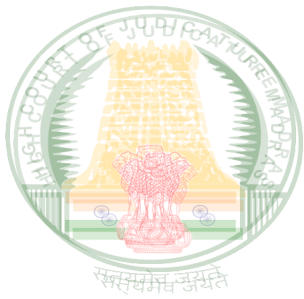


19.	1	188	79	53955	642	17.02.2011
20.	3	687	143	53929	1390	15.03.2012
21.	3	688	147	53921	1486	21.03.2012
22.	1	229	59	53910	4908	31.10.2011
23.	2	342	48	53900	3639	17.08.2011
24.	3	688	148	53897	1487	21.03.2012
25.	1	194	136	53846	1643	26.03.2012
26.	1	229	60	53056	4911	31.10.2011
27.	1	183	39	45969	3670	17.08.2011
28.	1	229	62	42237	4913	31.10.2011

66. With the above 28 bonafide sale exemplars, this court has to assess the average sale price by considering one half of the total number of sale deeds, i.e., the first 14 out of a total of 28 sale deeds.

67. The guideline value has already been determined by this court as Rs.29,655/-. The sale transaction which indicates the highest market value was already rejected by this court, as the market value of the properties which were subject matters of those sale deeds were found not to be indicative of prevailing market value in the area. The project villages are part of Gummidipoondi Taluk in Tiruvallur District and situated near Gummidipoondi Town Panchayat. Moreover, the project villages. Gummidipoondi is part of the expanded Chennai Metropolitan Region, bordering Chennai.

68. The market value is nothing but an amount that a willing seller might expect to receive from a prudent willing buyer if the land were sold on the open



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market, which will be considered the market value. The compensation must, therefore, be determined by reference to the price which a willing vendor might reasonably expect to obtain from a willing purchaser as on the date of the notification published under Section 4(1).

69. Considering all the above factors, particularly, the industrial and housing developments in the project villages where the SIPCOT Industrial Park was established in 1983 itself; this court is of the view that no vendor would have sold his property for a value less than the guideline value. The market value in and around the project villages would not have been less than between Rs.40,000/- and Rs.75,000/- per are.

70. The available 14 sale deeds out of one-half of total sale deeds (14 out of 28 already short-listed) are tabulated hereunder for easy and better understanding:

Sl. No.	Typed set Volume No.	Page No.	Sl. No.	Value in AREs	Doc. No.	Doc. Date
1.	1	229	67	73482	5962	14.12.2011
2.	1	231	88	68090	1487	21.03.2012
3.	1	228	49	61676	4016	07.09.2011
4.	1	225	18	61585	4311	27.10.2010
5.	1	228	50	60860	4017	07.09.2011
6.	1	229	61	60762	4912	31.10.2011
7.	2	498	280	59438	3077	04.06.2012
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9.	1	231	87	55970	1486	21.03.2012
10.	1	225	17	54669	4310	27.10.2010



11.	1	224	5	54340	4914	31.10.2011
12.	2	496	257	54163	3496	31.08.2010
13.	1	225	15	54093	4308	27.10.2010
14.	2	497	273	54086	5291	18.11.2011
				831180		
Average sale price of one-half of the total number of sale deeds (48 ÷ 2 = 14) in which the highest sale price has been mentioned works out to				59370 per are		

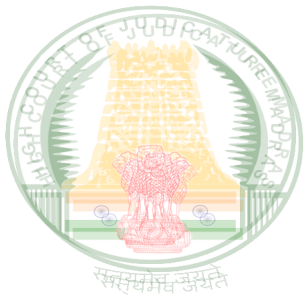
Accordingly, the average sale price is assessed at Rs.59,370/- per are.

71. Thus, it is evident from the discussions made above, the average sale price assessed at Rs.59,370/- per are is higher than the guideline value assessed. For comparison and better understanding, the guideline value and the average sale price are tabulated hereunder:

Guideline value	Average sale Price
Rs.29,655/- per are	Rs.59,370/- per are

The average sale price assessed at Rs.59,370/- may be rounded up to Rs.60,000/- per are.

72. As already discussed above, the market value (guideline value) of the acquired property is assessed at Rs.29,655/- per are, and the average sale price is assessed at Rs.60,000/- per are. Between these two, whichever is the higher value has to be taken to be the market value of the acquired land to determine the market value as provided under sub-section (1) of Section 26 of the RFCTLARR Act. So, the average sale price, which comes to Rs.60,000/- must be taken as the market value rather than the market value (guideline value) of Rs.29,655/- per are.



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73. Accordingly, the market value of the acquired land(s) is redetermined at Rs.60,000/- per are.”

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28. Insofar as arguments advanced by the learned counsel for the claimants that the reference villages come under the category of rural areas and therefore, the reference court ought to have adopted multiplier of 2 instead of 1.25 as per First Schedule is concerned, earlier, this court by judgment dated 28.03.2025 in A.S.No.1091 of 2024 and a batch of cases, after having considered such arguments advanced by the learned counsel for the claimants, rejected the same on the ground that distance of the project from the urban areas matters in the determination of multiplier factor and not the distance from Chennai City. Since Gummidipoondi is a Town Panchayat as per the definition made under clause (n) of sub-rule (1) to Rule 2 of the Tamil Nadu Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Rules, 2017 and the project villages are situated within 30 kilometers from the urban area - Gummidipoondi Town Panchayat, the reference court was right in adopting the multiplier of 1.25. The relevant portions of the judgment of this court in that regard read as follows:

“78. Admittedly, the subject villages – Kannan Kottai and Thervoy Kandigai are close to Gummidipoondi. Gummidipoondi became a town after it was declared a taluk in 1972. No doubt, the project villages form part of Gummidipoondi Taluk in

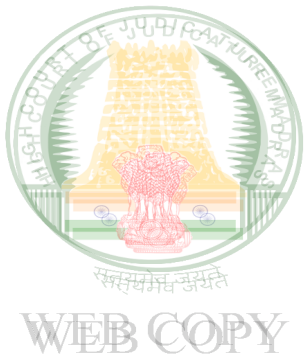


Tiruvallur District. Gummidipoondi is admittedly a town panchayat which does not include the project villages. The villages Kannan Kottai and Thervoy Kandigai do not fall under the category “urban area”, and they are rural areas as per the TN Rules, 2017. The project villages Kannan Kottai and Thervoy Kandigai are situated 28 kilometers (approx.) and 25 kilometers (approx.) away from Gummidipoondi Town Panchayat, respectively.

79. The Government in its Order in G.O.(Ms) No.300, Revenue & Disaster Management (LA-I(1), dated 20th September 2017, notified in the Tamil Nadu Government Gazette Extraordinary No.300, dated 21.9.2017 prescribed that in the case of rural areas, the provision under Sl. No.2 of First Schedule of the said Act first cited prescribes the factor by which the market value is to be multiplied as 1 to 2 based on the distance of the project from urban areas. Accordingly, the multiplier factor has been issued in the G.O. third cited and notified in the Tamil Nadu Government Gazette fourth cited as given below:

Sl. No.	Distance of the Project from Urban Areas	Factor by which the market value is to be multiplied
(1)	(2)	(3)
1	Within 30 Kilometres	1.25 (i.e. 250%)
2	Beyond 30 Kilometres and within 50 Kilometres	1.50 (i.e. 300%)
3	Beyond 50 Kilometres	2.00 (i.e. 400%)

80. In the light of the definition given under the clause (n) of sub-rule (1) to Rule 2 of the Tamil Nadu Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Rules, 2017, indisputably, the project villages fall under the



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category of rural areas. Therefore, in respect of the lands acquired in the project villages as per the First Schedule to the RFCTLARR Act, 2013 r/w Section 31(2) of the RFCTLARR Act, 2013, the factor by which the market value has to be multiplied will have to be “1.00 and 2.00” based on the distance of project from urban area as per G.O.(Ms) No.300, Revenue & Disaster Management (LA-I(1), dated 20th September 2017, which was notified in the Tamil Nadu Government Gazette Extraordinary No.300, dated 21.09.2017, and the factor by which the market value is to be multiplied for a project area which is situated within 30 kilometers from an urban area (Gummidipoondi Town Panchayat) is 1.25 (250%).

81. The reference villages Kannan Kottai and Thervoy Kandigai are part of Gummidipoondi Taluk in Tiruvallur District. Gummidipoondi is a town panchayat located at the outskirts of Chennai. It has a mix of urban and rural characteristics. Gummidipoondi is known for its industrial growth. SIPCOT industrial park was established way back in 1983. The reference court, considering the industrial and housing developments in and around the project villages and the proximity of the project villages to the urban area and the Chennai City Corporation limits, has rightly applied the multiplier factor ‘1.25’ G.O.(Ms) No.300, Revenue & Disaster Management (LA-I(1), dated 20th September 2017. This court does not find any illegality in the same. Thus, this court is of the view that the argument of the learned counsel for the claimants that the reference court should have accepted multiplier factor 2 considering the distance of the project villages from Chennai is unfounded.

82. The claimants are entitled to have the market value re-determined above multiplied by 1.25 as per the FIRST SCHEDULE to the RFCTLAAR Act, 2013, together with 100% and entitled to all other statutory benefits provided under the RFCTLARR Act, 2013.”



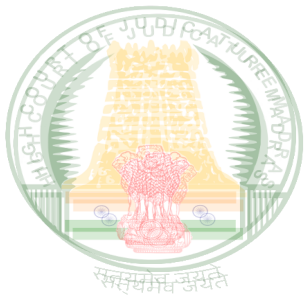
DEVELOPMENT CHARGES:

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29. Coming to the arguments advanced by the learned law officer in respect of deduction of developments charges is concerned, after having considered the arguments advanced on either side, earlier, by judgment dated 28.03.2025 made in A.S.No.1091 of 2024 and having taken note of the purpose of acquisition, this court held that no deduction could be directed towards development charges. The relevant paragraphs of the judgement of this court read as follows:-

“89. Had the acquisition of lands been made for the setting up of industries or the setting up of housing colonies or other such allied purposes, a deduction towards development (for keeping aside area/space for providing developmental infrastructure and developmental expenditure) could be ordered to be made from out of the market value so determined to compute the compensation for the lands acquired from the claimants.

90. When the acquisition of lands was for the purpose of the formation of a reservoir, the question of wastage of land or reservation of a certain extent of land for public amenities or road facilities would not at all arise in the instant cases, as the lands were acquired for the formation of a new reservoir and no strip of land is required to be reserved for any public amenities, and as such, no development charges need be deducted. Therefore, in the light of the law laid down by the Hon'ble Supreme Court in **Nelson Fernandes v. Special Land Acquisition Officer, South Goa** [(2007) 9 SCC 447] and followed by *C.R. Nagaraja Shetty (2) v. Land Acquisition Officer and Estate Officer*, (2009) 11 SCC



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75, no deduction could be ordered to be made towards developmental charges from the enhanced market value determined by this court.”

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30. In the light of the detailed judgment passed by this court earlier in A.S.No.1091 of 2024 and a batch of cases dated 28.03.2025, (i) the market value of the land fixed by the reference court at Rs.29,640/- per are is liable to be modified and the same has to be fixed at Rs.60,000/- per are; (ii) the reference court was right in adopting the multiplier factor of 1.25, and therefore, the finding of the reference court in that regard stands confirmed. The arguments of the learned law officer regarding the deduction of development charges cannot be countenanced, and no development charges could be directed to be deducted. This point is answered accordingly.

Point No.2:

31. Admittedly, the acquisition in the instant cases was made under Section 4(1) of the LA Act, 2014; however, no award was passed under Section 11 of the LA Act, 1894. Thus, all provisions of the RFCTLARR Act, 2013, relating to the determination of compensation, would apply. The term “compensation” includes market value for the superstructure and other immovable property or assets attached to the land. Thus, the claimants are entitled to compensation for buildings, other immovable property or assets attached to the land and also trees.



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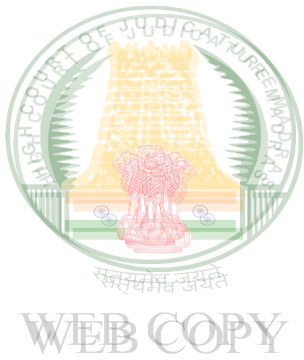
32. Insofar as the market value for superstructure and other things

attached to the acquired land is concerned, the reference court recorded its finding as follows:

9. Value for Superstructure : Further, as per the Ex.P11, the Land Survey of the acquired lands in the impugned village, in some of the lands, there are superstructures like Well, motor pump and trees are in existence. However, even though Ex.P11 Land survey report reflects about the existence of trees and other superstructure in many lands, to arrive at the amount of claim, the respective claimants have not produced any materials to fix the value for superstructures mentioned above. In the absence of material documents, this Court is not able to arrive at the value of building / superstructure / trees in the respective lands merely for existence of the same in some lands.

10. Depreciation Value : However, on considering the depreciation value, since it is a proposal for a reservoir scheme, the land has to be levelled and some charges are to be deducted as per the required norms, 20% depreciation value has to be fixed.

11. Set off with each other : Equally, the respondent has not placed any calculation to arrive for depreciation value. In the event of inability to



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arrive at the value of superstructures like wells, motor pumps, etc. and trees in the absence of materials placed by the claimants, it can be set off for the depreciation value, so that neither depreciation value is calculated nor valued the superstructure in the respective acquired lands.”

33. To determine the market value of the superstructure and other things attached to the land acquired, in the cases on hand except Ex.C.11-Land Survey Report, no other expert evidence is available to ascertain the value of the same. There is no specific evidence let in on behalf of the claimants in this regard. On a careful perusal of the evidence of R.W.1, nothing was confronted to him in the cross-examination regarding the value of the superstructures and other things attached to the acquired land and also trees.

34. When this was pointed out to the learned counsel for the appellants/claimants, he would fairly admit no evidence was adduced during the enquiry before the trial court, except Ex.C.11 Land Survey Report prepared by the 1st respondent/LAO. He did not press much on the enhancement of market value for the superstructure and other things attached to the acquired land.

35. In the absence of any expert evidence demonstrating the market



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value of the superstructure and other things attached to the acquired land on the date of notifications, this court has no other option except to confirm the market value fixed by the LAO in the respective award.

36. In the light of the discussion made above, the finding of the reference court regarding market value for the superstructure and other things attached to the acquired land stands set aside, and whatever the market value fixed by the LAO in this regard stands maintained. It is made clear that the claimants in the respective petitions where the superstructure, buildings, wells/borewells, trees and other things attached to the acquired land are not entitled to any enhanced compensation.

37. The learned counsel, though, made an attempt to convince this court, drawing attention to the THIRD SCHEDULE to the RFCTLARR Act, 2013, and would submit that burial and cremation grounds were also subject matters of acquisition and no provision as provided was made for burial and cremation grounds, the learned law officer who had been present was not able to give any reply to the submission made by the learned counsel for the claimants.

38. The LA Act, 1894, did not include provisions for resettlement and rehabilitation (for short, “the R & R”) of the individual landowners displaced by land acquisition. The LA Act, 1894, primarily focused on compensation for



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the loss of land and not on the broader impact of land acquisition. It provided only compensation to the landowners who were displaced, and it lacked mechanisms to address the social and economic consequences of land acquisition, particularly for those displaced and dependent on the land for their livelihood. It primarily focused on the compensation for the loss of individual immovable property, movable property, standing crops and trees.

39. When this court informed the learned counsel for the claimants that in view of the specific provision contained in Section 24(1)(a) of the RFCTLAR Act, 2013, and the law laid down by the Hon'ble Supreme Court in the case of Haryana State Industrial and Infrastructure Development Corporation Limited v. Deepak Aggarwal [2022 LiveLaw (SC) 644], only for the determination of compensation, the provisions of the RFCTLARR Act, 2013, would apply, the learned counsel conceded the legal position. Therefore, the claimants are not entitled to get any other relief under the RFCTLARR Act, 2013, except a fair compensation for their lands acquired by the state.

40. However, the State and the appropriate authorities shall ensure that a common burial/cremation ground is provided in accordance with the provisions of the RFCTLARR Act, 2013, because, the burial ground that was used by the villagers — including the landowners who were affected by the acquisition,



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was also acquired for the construction of a reservoir.

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41. Similar view was taken by this court earlier in the judgment dated 28.03.2025 in A.S.No.1901 of 2024 and a batch of cases.

Point No.3 is answered accordingly.

Point No.4:

42. In the light of the discussions made above, the appellants/claimants are entitled to get enhanced compensation calculated at the market rate determined above together with all other statutory benefits. Thus, the appeal suits succeed partly, and the common order of the reference court (Principal District Judge) at Tiruvallur only insofar as the market value is concerned requires modification, and in all other aspects, the common order and decree(s) of the reference court (Principal District Judge) at Tiruvallur stand confirmed. The market value of the acquired land is enhanced to Rs.60,000/- per are from Rs.29,640/- per are fixed by the reference court; the claimants are entitled to get the market value multiplied by factor 1.25 as per Schedule I of the RFCTLARR Act, 2013; the claimants are entitled to 100% solatium; besides the above, the claimants are entitled to all other statutory benefits provided under the RFCTLARR Act, 2013, and as ordered by the reference court.



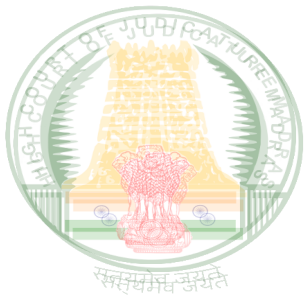
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43. Except for the reliefs already granted herein above, the appellants/claimants are not entitled to any other reliefs. This point is answered accordingly.

In the result, the appeal suits are allowed in part

(i) The common order of the reference court with respect to market value determined by the reference court alone is modified and enhanced to Rs.60,000/- per are from Rs.29,640/- per are insofar as the references under appeal are concerned.

(ii) The common order of the reference court with respect to payment of compensation for the superstructure, wells/borewells, trees and other things attached to the acquired land is set aside, and the claimants in the respective claim petitions are entitled to compensation for the superstructure, wells/borewells, trees and other things attached to the acquired land at the rate as fixed by the LAO in the respective awards. It is made clear that the claimants in those cases are not entitled to get any enhanced compensation.



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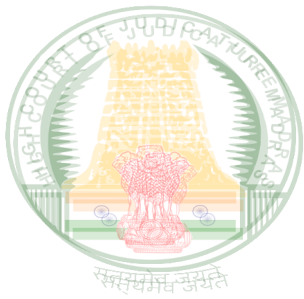


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(iii) The appellants/claimants in the cases for compensation towards superstructure, wells/borewells, trees, or other things attached, as the case may be, and where a claim for enhancement of compensation in respect of the same was made, are not entitled to any compensation for the superstructures and other things, as the case may be, and the award passed by the LAO in that regard stands confirmed.

(iv) The common order and the individual decree(s) of the reference court, in so far as the adoption of the multiplier as per the First Schedule, solatium, additional compensation and all other statutory benefits are concerned, the same shall stand confirmed. The compensation amounts, if any, already received by the claimant(s) shall be deducted from the enhanced compensation payable by the respondents.

(v) The 1st respondent or the authority concerned in the State is directed to deposit the entire enhanced compensation together with all statutory benefits



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provided under the RFCTLARR Act, 2013, within a period of two months from the date of receipt of a copy of this order.

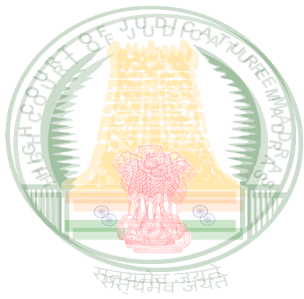
(vi) The learned law officer who represented the respondents in the appeal suits is entitled to separate fees for each of the appeal suits.

(vii) The appellants/claimants in the respective appeal suits herein are directed to pay deficit court-fees on the appeal suits within a period of two months from the date of receipt of a copy of this order.

(viii) The decree(s) in these cases shall be drafted after the payment of deficit court-fees has been paid by the respective claimants.

(ix) The local body concerned or the State shall ensure that burial/cremation ground(s) is/are earmarked in the reference villages for the use of the villagers and notified.

(x) Considering the facts and circumstances of the case, both parties are directed to bear their respective



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costs.

Consequently, connected CMPs are closed.

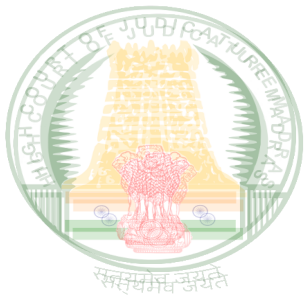
Index : yes / no

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Neutral citation : yes / no

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Note: The Registry is directed to type out cause title for rest of the appeal suits and issue certified copies to the parties.



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