IN THE HIGH COURT OF JUDICATURE AT MADRAS

Order reserved on : 07.10.2025	Order pronounced on : 07.11.2025

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THE HONOURABLE MR JUSTICE P.B. BALAJI

CRP.No.2719 of 2025
& CMP.No.15377 of 2025
& CMP.No.18493 of 2025

1.Land Acquisition Officer cum
Special Deputy Collector (LA),
Tamil Nadu Urban Development Project – III,
Chennai @ Poonamallee,
Chennai – 600 056.

2.The Divisional Engineer (Highways),
Chennai Metropolitan Development,
Plan Division – 1, Chennai – 600 032. ... Petitioners

Vs.

1.M.K.Saroj Kumar
2.K.Mohana Sundaram ... Respondents

Prayer: Civil Revision Petition filed under Article 227 of Constitution of India, to set aside the judgment and decree in LAOP.No.46 of 2015 dated 08.04.2024 on the file of the VI Assistant City Civil Court, Chennai.

For Petitioners : Mr.G.Nanmaran
Special Government Pleader

For Respondents : Mr.K.M.Venugopal

ORDER

This revision petition arises out of land acquisition proceedings initiated for the purpose of construction of a Grade Separator.

2.A Section 15(2) notification was issued on 16.12.2010 and 495 sq.ft has been acquired from the respondents/claimants. The land acquired also included portions of the building that stood on the property of the claimants. The award itself came to be passed on 19.10.2012.

3.The Land Acquisition Officer awarded a sum of Rs.4,220/- per sq.ft and as against the same, the claimant filed LAOP proceedings and after enquiry, the Reference Court has enhanced the compensation to Rs.14,000/- per sq.ft. Challenging the said enhancement, the Referring Authorities are before this Court, by way of the above revision petition.

4.I have heard Mr.G.Nanmaran, learned Special Government Pleader for the revision petitioners and Mr.K.M.Venugopal, learned counsel for the respondents.

5.Mr.G.Nanmaran, learned Special Government Pleader would submit that the Land Acquisition Officer had rightly taken into account the data lands as well as the guideline value and fixed a sum of Rs.4,220/- per sq.ft. However, the Reference Court, without even noticing that the sale deeds that were relied on by the claimants were situate in an entirely different locality, proceeded to fix the compensation at Rs.14,000/- per sq.ft. He would further contend that the date of notification being 16.12.2010, the Land Acquisition Officer had rightly relied on the sale deed dated 26.08.2010, to arrive at Rs.4,220/-.

6.According to the learned Special Government Pleader, the data sale deeds was not only situate in proximity to the acquired lands, but also even insofar as the date of execution as well, it was the most relevant document to be relied on to arrive at the market value. He would further state that the

Reference Court has not adduced any proper reasons for fixing an arbitrary and fanciful sum of Rs.14,000/- per sq.ft. He would also contend that the Reference Court has not deducted development charges and even otherwise reliance on Ex.C1 was wholly misplaced, since it was a document registered and executed on 05.09.2013, long after the Section 15(2) notification itself.

7.The learned Special Government Pleader would further state that the Reference Court has fixed the compensation at Rs.14,000/-, merely on surmises and guesswork and the same is liable to be interfered with. He would also submit that the property, which was relating to undivided share cannot be relied on to arrive at the prevailing market value, insofar as separate property of the claimants, which has been acquired. He would also place the relevant guideline value at the time of notification, which reflects Rs.4220/- per sq.ft. He would therefore pray for the award of the land acquisition being restored.

8.Per contra, Mr.K.M.Venugopal, learned counsel for the respondents/claimants would submit that the the property of the claimants are situate in a highly commercial locality and because of the acquisition, the value of the property has been drastically affected, more so, since the Permanent Grade Separator has been constructed in the middle of the road, obstructing the view of the claimant's property, which had serious repercussions on their business prospects. He would further state that the Reference Court has rightly relied on Ex.C3 dated 26.08.2010 to arrive at the compensation at Rs.14,000/- per sq.ft. He would also state that in the present case, there was no necessity to provide for any deductions for development and in this regard, he would rely on the decision of the Hon'ble Supreme Court in *C.R.Nagaraja Shetty Vs. Special Land Acquisition Officer and Estate Officer and another*, reported in *2009 11 SCC 80* and *The Land Acquisition Officer/Sub-Collector, Tindivanam Vs. Kupuswami*, reported in *1997 1 CTC 539*.

9.The learned counsel for the respondents would further contend that the plea of deduction towards development was not even taken before the Reference Court and cannot be agitated for the first time in revision. He would also state that the Reference Court has rightly rejected the documents that were exhibited on the side of the respondents, since the data sale deed, which was produced by the Land Acquisition Officer, pertained to an undervalued transaction and therefore, there was no necessity to rely on the same, as the said document clearly did not reflect the prevailing market value.

10.The learned counsel for the respondents would also state that the document relied on in Ex.R2 and Ex.R5, which are pertaining to Ashok Nagar village, whereas the lands that have been acquired are in Puliyur / Kodambakkam village. He would therefore state that when no data sale deed was available relating to individual property, there was nothing wrong in relying on Ex.C3, which pertain the sale of undivided share in the vicinity to the lands acquired.

11.In fact, the learned counsel for the respondents would point out that the properties covered by Ex.C3 are situate at a distance of approximately 300 to 600 metres from the acquired land and therefore, reliance on the same by the Reference Court was just and proper and the same does not call for interference. He would therefore pray for dismissal of the revision.

12.I have carefully considered the submissions advanced by the learned Special Government Pleader for the petitioners and the learned counsel for the respondents. I have gone through the order of the VI Additional City Civil Court, Chennai, enhancing the compensation from Rs.4,220/- to Rs.14,000/- in the LAOP proceedings.

13.The lands belonging to the petitioners have been admittedly acquired for the purposes of construction of a Grade Separator at the intersection of NSK Road (Arcot Road) and inner Ring Road at Vadapalani under the provisions of the Tamil Nadu Highways Act, 2001. There is no dispute with regard to the date of notification, as well as the date of award. The Land Acquisition Officer had fixed the market value for Rs.4,220/- per sq.ft and after providing 30% Solatium, 12% Additional Market Value and also including costs of Superstructure, arrived at a total compensation amount payable to the respondents/claimants.

14.The award of the Land Acquisition Officer was challenged before the Reference Court, on the ground that the market value was much higher than what was fixed by the Land Acquisition Officer and the property situate in 100 feet road which is arterial road in the city of Chennai, connecting important destinations and the market value was not less than Rs.20,000/- per sq.ft.

15.Before the Reference Court, the claimant marked the sale deeds to substantiate the claim for enhancement of compensation. On the side of the revision petitioners, documents numbering 3 were marked in order to have the award of Rs.4,220/- per sq.ft confirmed.

16.The Reference Court found that the property which was covered by Ex.C3 is situate very near the acquired land and was registered just four months prior to the notification. The Reference Court has also taken note of the document that was relied on by the respondents, which too was a document of the year 2010. R.W.1, who was examined on the side of the revision petitioners, in his cross-examination, has admitted that the acquired lands are commercially viable properties and that Jawaharlal Nehru Road had already been fully developed even at the time when the acquisition proceedings were initiated. He has admitted that there are commercial establishments, shops, theatres and hospitals on Jawaharlal Nehru Road and that Vadapalani Metro Station had also been constructed. R.W.1 had further admitted that both Puliyur and Kodambakkam are situate next to each other. Relying on the evidence of R.W.1, the Reference Court has rejected the Ex.R2, data sale deed which is situate in Arumbakkam and not proximate to the acquired lands.

17.Ex.C3 is the sale deed dated 26.08.2010 prior to Section 15(2) notification. The property covered by Ex.C3 is also situate at Vadapalani Jawaharlal Nehru. It is however contend by the learned Special Government Pleader that Ex.C3 was pertaining to a sale of undivided share and therefore, the said document should have been discarded by the Reference Court.

18.The Reference Court has also relied on Ex.C1 only for the purposes of ascertaining that the prices of the market values in the locality have spiraled upwards between the 2010 and 2013. Even though the market value of 1 sq.ft of land was Rs.19,230/- per sq.ft, as per Ex.C1, the Reference Court has not taken into account the same, but has only pleaded limited reliance to Ex.C3. The Reference Court has also given detailed and acceptable reasons for rejecting Ex.R1 and Ex.R3.

19.The Reference Court has relied on the decisions of the Hon'ble Supreme Court in *Mahesh Dattatray Thirthkar Vs. State of Maharashtra,* reported in *2009 11 SCC 141, Mehrawal Khewaji Trust (Regd) Vs. State of Punjab and others,* reported in *2012 5 SCC 432, Wazir and others Vs. State of Hariyana*, reported in *2019 13 SCC 101* and *the District Collector cum Land Acquisition Officer and another Vs. Dr.Narayani Narasa*, reported in *2021 3LW Page 329* and applied the ratio laid down by the Hon'ble Supreme Court as well as this Court in the right perspective. In fact, the Reference Court has also rejected the claim for enhancement for the building, holding that the claimant has not adduced any satisfactory evidence and has not even filed the building plan approval and other relevant documents.

20.Insofar as the deduction towards development costs, the Division Bench of this Court in *Kuppuswami's case* (cited supra), held that when the area is already developed, principle of deduction for development need not be followed or applied. The Hon'ble Supreme Court also in *C.R.Nagaraja Shetty v. Special Land Acquisition Officer and Estate Officer and Another,* reported in *2009 11 SCC 75,* held that when commercial potential of the land has been taken note of for enhancing compensation and deduction towards development was unwarranted on account of there being no question of any development, set aside the deduction made by the High Court towards development costs.

21.In the present case as well, the evidence of the revision petitioners itself is sufficient to reject the argument of the learned Special Government Pleader that the Reference Court has erred in not directing development costs, because R.W.1 has categorically admitted in cross-examination that the entire locality has already developed and in such circumstances, applying the ratio laid down by the Hon'ble Supreme Court as well as the Division Bench of this Court, there is no infirmity in the approach of the Reference Court in not deducting development costs.

22.Regarding the last contention of the learned Special Government Pleader that the lands in respect of undivided share, as rightly contended by the learned counsel for the respondents, when there is not data sale deed relating to separate property and what is made available before the Court is only a document involving sale of undivided share of land in the same locality, then there is no legal infirmity for relying on the said document to arrive at the market value. In view of the above, I do not find any error committed by the Reference Court in placing reliance on Ex.C3, especially, keeping in mind the fact that the value had substantially increased, as evidenced by Ex.C1.

23.In view of the foregoing, I do not find any grounds made out seeking interference with well reasoned order of the Reference Court, enhancing the compensation from Rs.4,220/- to Rs.14,000/-. There is no merit in the revision petition.

24.In fine, the Civil Revision Petition is dismissed. There shall be no order as to costs. CMP.No.15377 of 2025 is closed. Insofar as C.M.P.No.18493 of 2025, this application has been taken out only to establish the relevant guideline value. I do not see any necessity for relying on the guideline value between 2007 to 2012. Hence, the petition to receive the communication sent by the SRO, Anna Nagar, is not necessary to decide the revision and the same is dismissed.

07.11.2025
(4/6)

Neutral Citation: Yes/No
Speaking Order/Non-speaking Order
Index : Yes / No
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P.B. BALAJI,J.

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To

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Special Deputy Collector (LA),
Tamil Nadu Urban Development Project – III,
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Pre-delivery order made in
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