IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07.07.2025

CORAM:

THE HONOURABLE Dr. JUSTICE G.JAYACHANDRAN

A.S.No.465 of 2022

The Special Tahsildar,
(Land Acquisition) Unit-IV,
Outer Ring Road Project,
CMDA, Koyambedu Wholesale Market Complex,
Chennai-600 092. .. Appellant

Vs.

1.B.Jothi

2.The Member Secretary,
Chennai Metropolitan Development Authority,
Chennai-600 008. .. Respondents

PRAYER: Appeal Suit is filed under Section 54 of the Land Acquisition Act, to set aside the judgment and decree passed in L.A.O.P.No.68 of 2012 dated 20.03.2019 on the file of the Subordinate Judge, Poonamallee.

For Appellant : Mr.R.Siddharth
Additional Government Pleader

For R1 : Mr.K.Ravi

For R2 : Mrs.P.Veena Suresh for CMDA

JUDGMENT

This Appeal Suit has been filed against the judgment and decree passed by the Subordinate Court, Poonamallee in L.A.O.P.No.68 of 2012, enhancing the compensation awarded by the appropriate authority from Rs.18,731/- to Rs.1,10,000/- per cent.

2. The learned Additional Government Pleader challenges the fixation of compensation at the rate of Rs.1,10,000/- per cent on the ground that the data provided to the Court indicates that the price value of the subject property would, at most, be Rs.69,000/- per cent, as reflected in Ex.C1. While so, an exorbitant amount of Rs.1,10,000/- per cent was fixed without any rhyme or reason.

3. The sale statistics in Ex.C4, which pertain to transactions in the years 2004, 2005 and 2006. One of the properties in Survey Nos.18/7 and 18/7A was sold for Rs.56,658/- on 14.03.2007. The claimant purchased the property on 08.03.2007 for Rs.28,776/- per cent, which was just two months prior to the issuance of the Section 4(1) Notification. In such circumstances, the compensation awarded contrary to the data appears to be patently unreasonable.

4. The learned counsel appearing for the 1st respondent submitted that the sale deeds were obviously registered for lessor value than the actual market value. Therefore, the guideline value cannot be the sole basis for fixation of compensation. The Court below had rightly considered the nature of the land, its locational advantage and awarded compensation, which is just and reasonable. He further submitted that the Highways department had utilized the entire acquired land without leaving any portion as waste. Therefore, a deduction of 50% towards development charges is unreasonable.

5. In response, the learned Additional Government Pleader submitted that there is no appeal challenging the deduction towards development charges and the same cannot be canvassed in this appeal preferred by the State.

6. Point for determination:-

Whether the fixation of compensation at the rate of Rs.1,10,000/- per cent is supported by evidence?

7. The land was acquired for laying the Outer Ring Road under the Land Acquisition Act, 1894. The claimant, who is the owner of the land in Survey No.120/1B measuring 21 cents, was awarded a sum of Rs.18,731/- per cent by the appropriate authority after conducting an enquiry. Being aggrieved, he preferred L.A.O.P.No.68 of 2012 seeking enhancement of compensation by citing the potential value of the acquired property.

8. The claimant relied on four documents, which are sale deeds of the properties in the nearby locality. The Court below, having taken note of the statistics data Ex.C4, which indicates the average price of the land in the locality as Rs.58,806/- per cent, has enhanced compensation of Rs.1,10,000/- per cent. However, the documents marked as Ex.C1 to Ex.C4 show the following:

Ex.C1-land in Survey Nos. 3/A2 and 3/1B were sold for Rs.69,696/- per cent.

Ex.C2 - land in Survey No. 3/49 was sold for Rs.60,548/- per cent.

Ex.C3 - land in Survey No. 23/5 was sold for Rs.58,806/- per cent.

9. In any event, the value of the property in and around the locality had not exceeded Rs.70,000/- per cent during the relevant point of time. Particularly, the claimant himself had purchased the land hardly two months before Section 4(1) Notification for a sum of Rs.28,776/- per cent as per the title deed. Therefore, it would be appropriate to fix the market value of the acquired land at Rs.70,000/- per cent, which is the highest value shown in the documents relied.

10. Coming to the deduction of 50% towards development charges, this Court finds merit in the submission made by the learned counsel for the respondent. Though no appeal preferred by the claimant challenging the deduction, while considering the compensation awarded for the acquired land, the Court is bound to ensure that the compensation is fair, just and equitable. The deduction of 50% towards development charges has no reasonable basis. The acquisition was for laying a road and the land acquired was a developed residential plot belonging to the claimant. There is no material on record to suggest that the land was in unusable condition requiring substantial development. In such circumstances, the deduction towards development charges is reduced from 50% to 20%.

11. As a result, the ***Appeal Suit is partly allowed.*** There shall be no order as to costs. The compensation is modified to Rs.70,000/- per cent with a 20% deduction towards development charges, instead of Rs.1,10,000/- per cent with a 50% deduction charges.

12. The appellant is directed to deposit the compensation amount, as modified above, along with solatium and interest within a period of two months from the date of receipt of a copy of this order.

07.07.2025

Index: Yes/No
Speaking/Non Speaking order
Neutral Citation: Yes/No
rpl

To

1.The Subordinate Judge, Poonamallee.

2.The Special Tahsildar,
(Land Acquisition) Unit-IV,
Outer Ring Road Project,
CMDA, Koyambedu Wholesale Market Complex,
Chennai-600 092.

3.The Member Secretary,
Chennai Metropolitan Development Authority,
Chennai-600 008.

4.The Section Officer,
V.R.Section, High Court of Madras, Chennai.

DR.G.JAYACHANDRAN,J.

rpl

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