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A.S.No.278 c



THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 09.03.2026

PRONOUNCED ON : 08.06.2026

CORAM:

THE HONOURABLE MR.JUSTICE C.V.KARTHIKEYAN

AND

THE HONOURABLE MR.JUSTICE K.RAJASEKAR

Appeal Suit No.278 of 2021

Gopal Reddy

... Appellant / Claimant

Vs.

1.Special Tahsildar,
Land Acquisition,
SIPCOT, Hosur.

2.Managing Director,
SIPCOT, Hosur.

... Respondents / Respondents

PRAYER: Appeal Suit filed under Section 54 of the Land Acquisition Act, seeking to set aside the Order and Decree dated 07.03.2017 in L.A.O.P.No.6 of 2010, on the file of the Sub Court, Hosur in awarding a compensation of Rs.8,00,000/- per acre as wholly improper, perfunctory and without basis.

For Appellant	:	M/s.K.Abhirame For M/s.V.Srimathi
For R1	:	Mr.G.Nanmaran, Special Government Pleader



For R2 : Mr.G.Suresh Kumar

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JUDGMENT

(Judgment of the Court was made by K.RAJASEKAR,J.)

The appeal has been filed by the claimant seeking enhancement of compensation fixed by the Land Acquisition Tribunal/Subordinate Court, Krishnagiri in L.A.O.P.No.6 of 2010, dated 07.03.2017.

2.The appellant / claimant herein is the land owner situated in Survey Nos.132/1C, 140/2B, 141/5 to the total extent of 4.91 acres in Mornapalli Village, Hosur Taluk, Krishnagiri District. The land of the appellant had been acquired by the Government of Tamil Nadu on the request made by SIPCOT for the development, creating an industrial complex. Originally, the Government of Tamil Nadu issued a notification under Section 4(1) of the Land Acquisition Act, 1894 under G.O.Ms.No.295, Industries, dated 17.08.2000. The notification was published in the Government Gazette on 06.09.2000 and in Newspapers on 25.08.2000 and 30.08.2000. The objections were conducted, notification was also issued and separate proceedings were initiated on 13.12.2000 under Section 5(A) of the Land Acquisition Act, 1894.



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Subsequently, Declaration under Section 6 of the Land Acquisition Act, 1894 was issued on 26.07.2001. Gazette Notification and Paper Publications were effected on 22.08.2001 and 15.08.2001 respectively. Subsequently, the acquisition proceedings were proceeded under Tamil Nadu Act, 10/1999 (Tamil Nadu Land Acquisition Act for Industrial Sectors). Thereafter, the negotiations were taken place with the land owners on 30.08.2004, 31.08.2004, 03.09.2004, 06.09.2004 and 07.09.2004 however there was no consensus reached for fixing the compensation amount. Thereafter, the objections were called for fixing the award amount by making Paper Publication on 21.01.2005 both in English and Tamil dailies. Thereafter, the lands were handed over to the Requisitioning Body. Consequently, Enquiry was conducted and Award No.4 of 2007 dated 29.03.2007 was passed. In the award, the value of the lands were fixed as Rs.50,000/- per acre, 30% Solatium and compound value @ 12% was also granted. The compensation under other heads including solatium was also granted in the award.

3. Aggrieved over the fixation of compensation, the claimant sought reference under Section 18 of the Land Acquisition Act, 1894. Based on the



reference, the Land Acquisition Tribunal/ Sub Court, Krishnagiri has enquired three Claim Petitions in the Common enquiry, such as L.A.O.P.Nos.4 of 2010, 5 of 2010 and 6 of 2010.

4.The Land Acquisition Tribunal after hearing the parties by following previous judgements of this Court has fixed Rs.8/- lakhs per acre for awarding compensation and also awarded other eligible heads. Claim Petitioner in L.A.O.P.No.6 of 2010 / the land owner filed this appeal challenging the quantum of compensation fixed for enhancement.

5.The learned counsel for the Appellant/Claim petitioner submitted that the compensation was fixed during the year 2007, and based on the steps taken by the claimant by filing Writ Petition for seeking reference in W.P.No.3426 of 2010 vide order dated 25.03.2010, only thereafter, the reference was considered by the Tribunal. The compensation was fixed after rejecting the exhibits of the appellant, is not proper and there is no contra evidence to reject the exhibits produced by the claimant to decide the market value of the lands acquired. He further submitted that certain deductions including the development charges awarded by the Tribunal is on the higher side and the

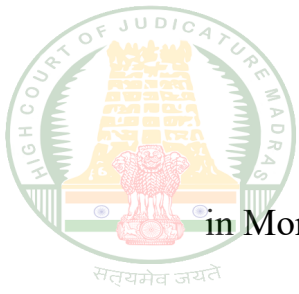


same is to be properly fixed. He also submitted that fixing the compensation to the extent of Rs.14/- lakhs per acre would be appropriate though the claimant made claim in the Claim Petition to the extent of Rs.50/- lakhs.

6.On the side of the Respondents/Government it has been submitted that earlier some of the claim petitions filed for the neighbouring land owners of the very same village, were adjudicated and the Judgment of the Division Bench of this Court in A.S.Nos.267 to 284 of 2010 vide order dated 19.08.2015 fixing of Rs.8/- lakhs per acre was just and fair compensation. This Judgement has been followed by the Claims Tribunal to decide the compensation in this case also. Hence, the State had not come forward to challenge the compensation awarded and prays to confirm the same.

7.We have considered the submissions made on both sides and also perused the materials available on record.

8.The appeal filed herein is for fixing the compensation for the land situated in Survey Nos.132/1C, 140/2B, 141/5 to the total extent of 4.91 acres

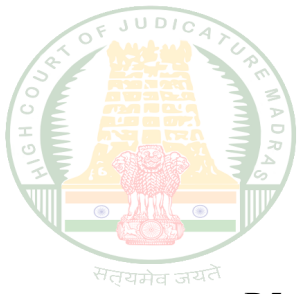


in Mornapalli Village, Hosur Taluk, Krishnagiri District.

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9.It is not disputed that the lands in the village are having same nature and already for the other lands in the very same village several appeals have been filed for enhancement and this Court vide order dated 19.08.2015 has considered the batch of Appeal Suits filed by the Government in A.S.Nos.267 to 284 of 2010. This Court, while considering the evidence placed on record in those proceedings has held that fixing the compensation of Rs.8/- lakhs per acre is proper. However, it has been observed that the reduction was made up to 57% towards development charges is not proper since in another batch of appeal suits delivered in A.S.Nos.429 to 442, 545 to 547, 553 to 562, 536 to 573 and 720, 724 of 2008 has held that the lands acquired under Phase-1 of the very same project 40% towards development charges alone was upheld.

10.In this case, the Tribunal has deducted 53% towards development charges and this Court is of the view that the same is not proper as observed by the Division Bench of this Court as stated supra. As far as the development charges is concerned, fixing the 40% of market rate alone is justified.



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11. In this case, admittedly, the claimant herein has produced exhibits P1 to P5. These documents have been appreciated by the Tribunal and it has been specifically recorded that all these sale deeds were concerned with the lands sold as housing plots, not as an agricultural land. Similarly, it was observed by the Tribunal that the data land taken up for deciding the market value by the Land Acquisition Officer is situated 1.6 km., away from the lands acquired. Thereafter, the Tribunal by following the Judgement passed by this Court in A.S.Nos.422 to 445, 446 to 476, 249 to 260 and 286 to 303 of 2010 dated 06.07.2015 (Ex.C.W.7) accepted that the market value of each land fixed as Rs.18/- lakhs per acre. Thereafter, after deducting 57% as development charges fixed compensation as Rs.8/- lakhs per acre.

12. We are of the view that the claimant herein has failed to produce satisfactory documents to decide the market value to fix the compensation for his lands. Admittedly, market value of his lands was already fixed by the Land Acquisition Officer by passing an Award No.4 of 2007 dated 29.03.2007. Since the claimant herein has failed to produce satisfactory documents to enhance the compensation to the extent of Rs.50/- lakhs as claimed by him before the



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Tribunal, the Tribunal after taking note of the Division Bench Judgement of this Court in A.S.Nos.267 to 284 of 2010 dated 19.08.2015, fixed the value of compensation. Based on the evidence placed on record, the coordinate Division Bench of this Court has taken a view that fixing the market value of the acquired lands to the extent of Rs.18,72,260/- (Rupees Eighteen Lakhs Seventy Two Thousand Two Hundred and Sixty only) per acre is proper and acceptable.

13.The claimant herein has failed to establish that he is entitled for enhanced compensation than the compensation confirmed by this Court vide order dated 19.08.2015, we are inclined to fix the market value of the property acquired, in this case as Rs.18,72,260/- per acre as observed by this Court in the earlier paragraphs. The deduction made under the head “Development Charges” to the extent of 57% is not permissible and it is appropriate to fix the development charges to the extent of 40% as fixed in the other appeal suits concerning the very same acquisition proceedings.

14.Accordingly, the market value of the land fixed by the Tribunal is modified to the extent that the market value of each acre is fixed as



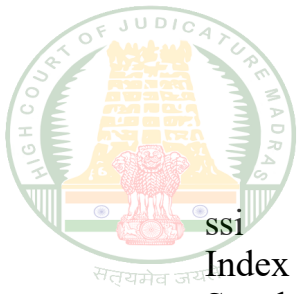
Rs.18,72,260/- and after deducting 40% as development charges (Rs.18,72,260/- (-) Rs.11,23,356/- (40% of 18,72,260/-) = Rs.11,23,356/-) the remaining Rs.11,23,356/- shall be the compensation for the market value of the land. The claimant is also entitled for 30% solatium as well as the interest rate fixed for payment of compensation all are confirmed.

15.In the result, the appeal is partly allowed with costs. The compensation for each acre of land is fixed as Rs.11,23,356/-, after deducting @ 40% towards development charges. The first respondent / Special Tahsildar is directed to pay the enhanced award amount along with solatium @ 30% p.a., and other heads granted by the Tribunal including interest at the rate determined by the Trial Court and from the date as fixed by the Trial Court within a period of eight weeks from the date of receipt of a copy of this order to the credit of L.A.O.P.No.6 of 2010, on the file of the Sub Court, Hosur. On such deposit, the claimant is entitled to withdraw the same in accordance with law.

[C.V.K,J.]

K.R.S,J.]

08.06.2026



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Index : Yes

Speaking Order : Yes

Neutral Citation Case : Yes

To

1. The Subordinate Judge, Hosur.
2. The Section Officer,
VR Section,
High Court of Madras

C.V.KARTHIKEYAN,J.

AND

K.RAJASEKAR,J..

ssi

Pre-delivery Judgment made in
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