IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.02.2026

CORAM :

THE HON'BLE MR.JUSTICE M.JOTHIRAMAN

A.S.No.998 of 2014
and
M.P.No.1 of 2014

1.Union of India rep. by,
The Chief Secretary to Government,
Puducherry.

2.The Land Acquisition Officer,
Karaikal. ... Appellants

Versus

Sivapragasam,
Trustee, Thangappapu Samadhi Mutt,
Karaikal. ... Respondent

Prayer : Appeal Suit filed under Section 54 of Land Acquisition Act, to set aside the award dated 24.11.2010 in LAOP No.50 of 2000 on the file of learned District Judge at Karaikal by allowing the above appeal.

For Appellants	:	Mr.P.S.Kothandaraman Government Advocate (Puducherry)
For Respondent	:	Ms.R.K.Rithani for Mr.T.Sai Krishnan

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JUDGMENT

The unsuccessful official respondents in the Land Acquisition Original Petition is the appellant herein and they challenge the award dated 24.11.2010 passed in LAOP.No.50/2000 on the file of the District Judge at Karaikal.

2. Facts leading to the file of this appeal, briefly narrated, are as follows:

2.1. The respondent is a Trustee of Kovilpattu, Thangapapu Samadhi Mandapam, owning and possessing lands classified as "Wet" in the settlement records. The said land is comprised in T.S.No.D/1/4/1, having an extent of 1 Hectare, 1 Are and 20 Centiares. While so, the first appellant issued Section 4(1) Notification under the Land Acquisition Act, 1894 [in short "LA Act"], proposing to acquire the said lands for the provision of free house sites to landless labourers at Kovilpattu by appointing the second appellant to perform the functions of the Collector under Section 5A of LA Act.

2.2. The respondent expressed no objection for the acquisition and also prayed for grant of adequate compensation. Thereafter, the first appellant issued Section 6 Declaration under G.O.Ms.No.61, Revenue Department dated 18.09.1998, declaring that the said land was needed for public purpose for the distribution of house sites for landless labourers.

2.3. The second appellant conducted award enquiry and passed an award under Section 12(2) of the Act, granting total compensation of Rs.11,89,821/-. Being not satisfied with the quantum of compensation, the respondent sought for a reference under Section 18 of the LA Act. A reference was made under Section 18 of LA Act by the Land Acquisition Officer, in LAOP.No.50/2000 on the file of the District Judge at Karaikal / Tribunal for adjudication to arrive at the market value of the lands acquired.

2.4. Upon hearing either side and on appreciation of oral and documentary evidences, the Tribunal had fixed compensation of Rs.14,500/- per Are together with interest @ 9% p.a for one year from the date of taking possession of the property and thereafter @ 15% p.a. on the enhanced compensation till payment is made into the Court in addition to the solatium and the additional market value referred as above. Being aggrieved by the said order of the Tribunal, the official respondents in the LAOP proceedings, the present appeal suit has been filed.

3. The learned counsel appearing for the appellants / respondents would submit that the land acquisition officer considered all the documents preceding one year from the date of Section 4(1) notification in arriving at the market value of the land acquired at Rs.7,500/- per Are. When the reference Court having rejected Exs.P.1 to P6, ought not to have enhanced the compensation from Rs.7,500/- per Are fixed by the land acquisition officer to Rs.14,500/- per Are. The reference Court has failed to note that the acquired land is more than 3

kms. away from the Government School at Kottucherry and 10 kms. away from Varichikudy Polytechnic, in a hamlet known as Pillaitheruvasal. The land acquired is a wet land. The process of reclamation and earth filling of the acquired land is expensive and cumbersome and as such ought to have deducted the development charges. The reference Court ought to have seen that the acquisition of the land for the Varichikudy polytechnic cannot be compared with this acquisition as the same or not comparable. Further, Ex.P1 to P.6 are the properties which are not equivalent to the property acquired from the claimant / respondent.

4. Per contra the learned counsel appearing for the respondent / claimant would submit that the land situated in kovilpattur Village is less than 1 km. from the periphery of Karaikal town and therefore, as all the potentialities both existing and in future of an urban area. When the appellants have acquired the lands for polytechnic and high school around the period of acquisition of the claimants land the Government has paid compensation at the higher rate than in the present case. In the nearby place, the sales have been taken place ranging from Rs.40,000/- to Rs.60,000/- per Are even as per the registration records. The appellants have omitted sale data's evidencing sale prices many times more than those of the retained sale transactions i.e., the nature of the land, its classification in the revenue records, the purpose for which the land is acquired,

the focus for which the land is acquired, the locational advantage like nearness of the city, bus stand, etc., and the development that have taken place around the land acquired while fixing the market price. Upon appreciating the oral and documentary evidence, the reference Court has rightly enhanced the compensation from Rs.7,500/- per Are to Rs.14,500/- per Are. Therefore, there is no reason warrants to interfere with the award passed by the reference Court.

5. This Court considered the submissions made on either side and perused the available records. Points for determination arises in this appeal is that whether the compensation of Rs.7,500/- per Are awarded by the land acquisition officer, which was enhanced by the reference Court of Rs.14,500/- per Are is correct?

6. It is seen from the records that the land acquisition officer, Karaikal notified the land acquisition under Section 4(1) vide GO.Ms.No.43 dated 25.09.1997, the same was published in official State Gazette No.42 dated 21.10.1997, English daily (Hindu) dated 27.09.1997 and affixture of public notice. At the instance of the requisition, the land acquisition proceedings were invited to acquire an extent of 0.1, 0.20 hectares of land at Kovilpattur Revenue Village at Karaikal Taluk for distribution of free house sites to landless labourers at Kovilpattur. In respect of the land bearing T.S.No.D/1/4/1 situated

at Kovilpattur Revenue Village. The nature of the land is wet land. Thereafter, in order to ascertain the real and correct market value of the land under acquisition to award compensation for the land owner, the sales effected in the revenue village were collected. Sales data was collected for a period of one year prior to the date of 4(1) notification i.e., 14.11.1996 to 13.11.1997. The sales data were compared with the land under acquisition and classified as rejected sales and retained sales for the purpose of arriving at market value of the land. The retained sales in Sale No.151 involved in T.S.No.D/1/16/18 is classified as wet land with the rate of Rs.4,166.66 per Are. The GLR value of the proposed land for acquisition for the year 1997 – 1997 is Rs.7,500/- per Are. As the GLR value of Rs.7,500/- is higher than the market value of similar land, the GLR value is taken as the value of the land under the acquisition. The same has also been approved by the authorised officer vide letter dated 01.07.1999.

7. Further, it is seen that, after classifying the lands acquired, the land acquisition officer fixed the total compensation vide award dated 04.02.2000 and fixed the compensation amount of Rs.11,89,821/- for the said extent of acquired land. On the basis of the objections made by the land owner, the land acquisition officer has made the reference under Section 18 of the Act before the reference Court for adjudication in order to arrive at the correct market value of the land acquired. Before the reference Court in order to prove the claim of the

claimant he himself examined as P.W.1 and documents Exs.P1 to P.6 were marked. On behalf of the land acquisition officer, Thiru.Murugesan, Tahsildar, was examined as R.W.1 and documents Exs.R1 to R4 were marked. As per the report of the land acquisition officer and Ex.R1 award proceedings dated 04.02.2000 it reveals that, the sale item No.151 (1 sale) involved in T.S.No.D/1/16/18 is classified as wet land with the rate of Rs.4,166.66/- per Are and considering the GLR value of the land acquired for the year 1996 – 1997 is Rs.7,500/- per Are. As the GLR value of Rs.7,500/- per Are is higher than the market value of similar land, the GLR value was taken as the value of the acquired land.

8. In order to seek the enhanced compensation, the claimant has chosen to produce one power of attorney deed dated 03.10.1996 and five sale deeds pertaining to the year 1997. Ex.P.1 is the copy of the Power of Attorney deed dated 03.10.1996 shows that plot No.4 to an extent of 172 sq. mtr. and the layout has been prepared and the sale price was fixed at Rs.37,000/-. Ex.P.2 relates to sale deed dated 06.08.1997, relating to a vacant plot to an extent of 60 x 35 which is situated at Kovilpattur village and sale price is Rs.1,30,000/-. Ex.P3 relates to sale deed of Manai at Kovilpattur Village at Vettaikaran Street for Rs.28,000/- for an extent of 16.18 sq.mtr. Ex.P4 is another sale deed dated 08.08.1997 with regard to Manai Property at Ganesh Nagar, Pulliankottai Taluk

for a sale price of Rs.1,02,000/-. Ex.P.5, sale deed for a sum of Rs.1,33,000/- where the property is situated at Karaikal Municipality at Kovilpattur Village itself. Ex.P.6 sale deed also pertains to Kovilpattur Village. The reference Court opined that Exs.P.1 to P.6 are all sale deeds referring to Manai and not wet lands and the properties under those sale deeds have been sold as Manai while the acquired land pertains to wet land.

9. It is seen from records that R.W.1, Murugesan Tahsildar in his cross examination, he admits that the acquired land is situated in the main road of Nedungadu and also admits that the acquired land in part relating to house sites and part of the land pertains to wet lands. It is to be noted that in the counter filed by the appellant in paragraph No.3, it has been stated that no one can dispute the character of the land, which is wet and its rural location separated from a good length of distance say from Karaikal township by 3 kms., by 8 kms. from location of Government School at Kootucherry.

10. According to the claimant that when the land is being compulsorily taken away from the land lord is entitled to claim the highest value which is a similar land in the locality which is shown to have fetched a bonafide transaction. It is to be noted that where the lands acquired are of different types and different locations, averaging is not possible but where there are several

sales of similar lands at the same time whose price for marginal variations averaging the value can be taken into consideration. The number of sale deeds of the same locality and same period with short intervals are available, the average number of sale deeds shall be considered as a fair price and reasonable market price. Ultimately, it is in the interest of justice for the land users, for awarding a fair compensation.

11. It is to be noted that while ascertaining the market value of land, the potentiality of the acquired land should also be taken into consideration. The market value of the property has to be determined having due regard to its existing condition with all existing advantages and it potential possibility. In the case on hand, the acquired land has been acquired for providing distribution of free house sites to labourers at Kovilpattur Village. It is to be noted that while fixing the market value of the acquired land, the land acquisition officer has to consider the factus of existing geographical situation of the land, existing use of land, already available advantages like proximity of the road or developed area and market value of the other land situated in the locality or village adjacent or very near to the acquired land. The reference Court while determining the market value on the basis of the price paid under the sale transactions adopting the average method by averaging the sale prices of Exs.P1 to P.6 and enhanced the rate from Rs.7,500/- per Are to Rs.14,500/- per Are. This Court is of the

view that there is no infirmity in the award passed by the reference Court and there is no merit in this appeal and the same is liable to be dismissed.

12. In the result, the appeal suit is dismissed and confirming the award passed in LAOP.No.50 of 2000 dated 24.11.2010 on the file of District Court, Karaikal. No costs. Consequently, connected miscellaneous petition stands closed.

06.02.2026

Index : yes/no
Speaking/Non-Speaking order
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To

1.The District Judge,
Karaikal.

2.The Chief Secretary to Government,
Union of India,
Puducherry.

3.The Land Acquisition Officer,
Karaikal.

M.JOTHIRAMAN, J.,

rap

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