



WEB COPY



C.M.A.No.3224 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 03.06.2026

Coram:

THE HONOURABLE MR. JUSTICE P.VELMURUGAN
and
THE HONOURABLE MRS. JUSTICE K.GOVINDARAJAN THILAKAVADI

C.M.A.No.3224 of 2024

P.K.Pounraj

... Appellant

Vs.

1. The District Collector,
Dharmapuri – 5.

2. The District Revenue Officer/
Competent Authority (LA-NH),
Collectorate Campus, Dharmapuri.

3. The Special Tahsildhar (LA)
National Highways, No.7, NHAI,
Collectorate, Dharmapuri – 5.

4. The Project Director,
National Highways Authority of India,
PIU, Salem, Door No.212-3/D3-1, Sri Nagar Colony,
Narasothipatti, Salem – 636 004.

... Respondents

Prayer: This Civil Miscellaneous Appeal has been filed under Section 37 of the Arbitration and Conciliation Act, 1996, to set aside the fair and decreetal order dated 27.04.2016 passed by the learned Principal District Judge, Dharmapuri, in Arbitration O.P.No.12 of 2013 thereby consequently grant enhanced compensation at the rate of Rs.500/- per sq.mtr.



WEB COPY



C.M.A.No.3_____

For Appellants : Mr.G.Harshavarthan for
M/s.Prashant Rajagopal

For Respondents : Mr.M.Hemanth Kumar, Govt. Counsel
for RR1 to 3

Mr.Su.Srinivasan, Standing Counsel
for NHAI/R4

JUDGMENT

(Judgment of the Court was made by P.VELMURUGAN, J.)

This Civil Miscellaneous Appeal has been filed against the order passed by the learned Principal District Judge, Coimbatore, in Arbitration Original Petition No.12 of 2013 dated 27.04.2016.

2 The second respondent issued notification under Section 3(A) I of the National Highways Act on 05.10.2006 to acquire lands for formation of 4 laning of NH 7 between Krishnagiri to Thoppur Ghat Section in Nallanahalli Village of Dharmapuri Taluk, Dharmapuri District, to the extent of 20912 sq. meters and subsequently Section 3A(3) notification was published on 08.05.2007, calling for objections. As there was no specific objection, 3D(1) notification was published on 13.09.2007 and thereafter 3G(3) notification was published on 15.10.2007 and after completing due procedures, the second respondent fixed Rs.15.31 per sq.meter for the lands acquired from the appellant.



WEB COPY

Aggrieved by the said amount fixed by the second respondent, the appellant/land owner filed an appeal under Section 3(G)(5)(6) before the District Collector-cum-Arbitrator (LA-NH7), Dharmapuri, seeking enhancement.

3 The learned Arbitrator, vide order dated 04.11.2012, rejected the appeal, against which, the appellant preferred Arbitration Original Petition in Arb.O.P.No.12 of 2013 invoking Section 34 of the Arbitration and Conciliation Act, 1996. The learned Principal District Judge, Dharmapuri, vide order dated 27.04.2016, dismissed the appeal and confirmed the Award of the Competent Authority, against which, the land owner is before this Court.

4 According to learned counsel for the appellant/land owner, his lands were acquired and while fixing the compensation, the competent authority has not considered the documents produced by the appellant. The appellant produced sale deeds, which are all prior to the 3(A) notification, but the competent authority has failed to consider the same, instead they relied on the data sale deeds, which are admittedly after the notification.

4.1 Further the competent authority failed to award solatium, which is statutory



C.M.A.No.3_____

benefits available for the land owners, whose land has been acquired by the Government.

WEB COPY

4.2 The learned counsel for the appellant further contended that even though the appellant raised the objection in the grounds of appeal before the learned Principal District Judge that there was violation of Section 3(G) 7(a) of the National Highways Act, where, the competent authority fixed market value on the basis of the data sale deeds, which were effected long after the notification under Section 3(A), but the learned Principal District Judge failed to consider the same and erroneously dismissed the petition. The learned Single Judge, vide judgment dated 07.07.2023, considered all the above facts, in the appeal filed by the appellant, against the dismissal of the petition under Section 34 of the Arbitration and Conciliation Act, for the acquisition taken place in the same village, and allowed the appeal by remitting the matter back to the learned Arbitrator. Hence he prays to allow the appeal.

5 Learned Standing Counsel for the fourth respondent/NHAI would contend that the appellant has not produced any single document either before the competent authority or before the Arbitrator. The order passed by the learned Principal District Judge, Dharmapuri, itself shows that the appellant has not produced any document to



WEB COPY

consider his claim and hence dismissed the petition filed under Section 34 of the Arbitration and Conciliation Act. Furthermore the finding of the Arbitrator that the appellant has failed to produce the documents to consider his claim, has not even assailed before the learned Principal District Judge, in the petition under Section 34 of the Arbitration and Conciliation Act. The appellant has not asked for solatium either before the Arbitrator or before the Section 34 Court and before this Court, for the first time, the appellant is raising all those grounds, which need not be considered and the appeal is liable to be dismissed.

6 Heard the learned counsel appearing for the appellant and the learned counsel for the respondents and perused the materials available on record.

7 It is the main contention of the learned counsel for the appellant that the documents produced by the appellant has not been considered by the Arbitrator as well as the Section 34 Court and hence he is eligible for enhancement of compensation.

8 Per contra, it is the contention of the learned Standing Counsel for the fourth respondent that the appellant has not produced any single document either before the Arbitrator or before the Section 34 Court and hence the present appeal is liable to be



C.M.A.No.3_____

WEB COPY

9 Admittedly the appellant's lands were acquired by the fourth respondent for the purpose of formation of 4 laning of NH 7. Even though the appellant/land owner has got valid documents, the Arbitrator and the Section 34 Court has not considered and appreciated the same. Further more, the competent authority, while fixing the compensation, relied on the data sale deeds, which are after 3(A) notification, which itself is patent illegality and both the Arbitrator and the Section 34 Court have failed to consider the same and on that ground itself the orders are liable to be set aside.

10 The competent authority, while fixing the compensation, is expected to consider the highest *bona fide* sale exemplar among the gathered data to ensure fair market value to the landowner. In the present case, even though the appellant has valid document, which are prior to 3(A) notification, the competent authority, relied on the data sale deeds, which are admittedly after 3(A) notification, which is not permitted under law.

11 Therefore we are of the considered view that the matter may remitted back to the Arbitrator for fresh consideration with the documents available with the appellant.



C.M.A.No.3_____

WEB COPY

12 Accordingly, the order dated 27.04.2016 passed by the learned Principal District Judge, Dharmapuri, in Arb.O.P.No.12 of 2013 and the order dated 04.11.2012 passed by the first respondent viz. The District Collector/Arbitrator are set aside and the matter is remitted back to the District Collector/Arbitrator. The appellant is directed to file the documents before the Arbitrator and the Arbitrator shall consider the documents to be produced by the appellant and pass Award including solatium, which is the statutory benefit, on merits in accordance with law.

13 The Civil Miscellaneous Appeal shall stand disposed of with the above directions. No costs.

[PVJ] [KGTJ]
03.06.2026

Neutral Citation : Yes/No

cgi

To

1. The Principal District Judge, Dharmapuri.
2. The District Collector, Dharmapuri – 5.
3. The District Revenue Officer/Competent Authority (LA-NH),
Collectorate Campus, Dharmapuri.
4. The Special Tahsildhar (LA), National Highways, No.7, NHAI,
Collectorate, Dharmapuri – 5.



WEB COPY



C.M.A.No.3_____

P.VELMURUGAN. J.
and
K.GOVINDARAJAN THILAKAVADI, J.

cgi

C.M.A.No.3224 of 2024

03.06.2026