IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 23.01.2026
PRONOUNCED ON : 09.06.2026

CORAM:

THE HONOURABLE DR. JUSTICE A.D. MARIA CLETE

A.S. No. 1070 of 2019
and
C.M.P. No. 27902 of 2019

The Special Tahsildar,
Land Acquisition,
Adi Dravidar Welfare,
Vellore. ...Appellant/Respondent

Versus

1.Muniyammal (Died),
W/o.Late Shanmugam,
Krishnapuram Village,
Arcot Taluk.

2.Bhavani W/o.Gunasekaran,
Quarters Street, Tajpura Madura
Krishnavaram Village, Arcot Taluk,
Ranipet District.

(Sole respondent (Muniyammal) died. R2 is brought on record as L.R.s of the deceased sold respondent vide court order dated 09.01.2026 made in C.M.P. Nos.30084, 30085, 30086 of 2025 in A.S.No.1070 of 2019 (ADMCJ)) ...Respondents/Claimants

PRAYER in A.S.:

Appeal Suit filed under Section 54 of the Land Acquisition Act praying to set aside the decree passed in L.A.O.P.No.157 of 2002 dated

30.09.2003 on the file of the Additional District and Sessions Court (FTC No.II) Ranipet and pass such further or other orders as this Court may deem fit and proper in the circumstances of the case and thus render justice.

PRAYER in C.M.P.:

Civil Miscellaneous Petition filed under Order 41 Rule 5 of the Civil Procedure Code to stay the execution of the decree passed in L.A.O.P.No.157 of 2002, Additional District & Sessions Court (FTC.2) Ranipet on 30.09.2003 pending disposal of the above appeal and thus render justice.

For Appellant : Mr.M.Murali, Government Advocate.

For Respondents : Mr.B.Manohar, Advocate.

JUDGMENT

This Appeal Suit has been filed by the Special Tahsildar, Land Acquisition, Adi Dravidar Welfare, Vellore, challenging the judgment and decree dated 30.09.2003 passed in L.A.O.P.No.157 of 2002 by the learned Additional District and Sessions Judge, Fast Track Court No.II, Ranipet.

2. The appellant herein was the respondent before the Reference Court. The first respondent herein was the claimant before the Reference Court.

Pending appeal, the sole respondent / claimant died and the second respondent has been brought on record as her legal representative. For convenience, the parties are referred to as referred in the trial court.

3. The lands in S.Nos.30/1 and 30/5 at Thazhanoor Village, Walajapet Taluk, measuring 0.35.0 hectares and 0.33.0 hectares respectively, in all 0.68.0 hectares or 1 acre 68 cents, belonged to the claimant. They were acquired for providing house sites to Adi Dravidars. The notification under Section 4(1) of the Land Acquisition Act, 1894, was issued on 17.10.1994. Possession was taken on 24.03.1995. The Land Acquisition Officer passed Award No.4 of 1994-1995 dated 24.03.1995, fixing the market value at Rs.214.28 per cent and awarding compensation with 30% solatium and 12% additional amount. The total amount ordered to be paid was Rs.53,014/-.

4. The claimant contended that the market value fixed by the Land Acquisition Officer was very low. According to her, the acquired lands had house-site potential, were situated near Arcot town, T.V. Station, Gold Winner Oil Company, Pallavan I.T.I., Ganapathy Nagar, Sathya Nagar and Kamarajar Nagar, and had access to Arcot-Arni Road. It was also pleaded that the locality had factories, hospital and municipal

amenities. On that basis, the claimant sought compensation at Rs.7,000/- per cent.

5. The Land Acquisition Officer resisted the claim contending that relevant pre-notification data sale deeds had been considered and that the value was properly fixed at Rs.214.28 per cent on the basis of the sale relating to S.Nos.25/3A and 25/3B. According to the Land Acquisition Officer, the claimant had not produced any proper comparable sale deed to justify enhancement.

6. On the side of the claimant, C.W.1 Gnanasekaran was examined and Exs.C1 and C2 were marked. Ex.C1 is the registered sale deed dated 17.09.1992 relating to S.No.119/2, under which 10¾ cents of land were sold for Rs.47,350/-. Ex.C2 is the Arcot Town Map.

7. On the side of the Land Acquisition Officer, R.W.1 M.Venkatesan was examined and Exs.R1 to R4 were marked. Ex.R1 is the data land sales and statistical particulars. Ex.R2 is the registered sale deed relating to the data lands in S.Nos.25/3A and 25/3B. Ex.R3 is the A-Register extract for the acquired land. Ex.R4 is the rough sketch.

8. The Reference Court noticed that the Land Acquisition Officer had relied upon the data lands in S.Nos.25/3A and 25/3B and fixed the market value at Rs.214.28 per cent. It also noticed that Ex.C1 related to S.No.119/2 and that, as per Ex.R4 rough sketch, S.No.119/2 was far away from the acquired lands. On that reasoning, the Reference Court observed that Ex.C1 could not be taken as the basis for fixing compensation.

9. However, taking note of the fact that Arcot was an important and well-developed place, the Reference Court enhanced the market value from Rs.214.28 per cent to Rs.1,700/- per cent. It also granted 30% solatium, 12% additional amount from the date of Section 4(1) notification till the date of taking possession, interest at 9% for the first year and 15% thereafter till deposit, with a direction to deduct Rs.53,014/-, if already received by the claimant.

10. The Land Acquisition Officer has challenged the judgment mainly on the ground that the Reference Court enhanced the market value without sufficient evidence. It is contended that the claimant did not produce proper documents to substantiate the enhanced claim; that the Land Acquisition Officer had relied upon a relevant sale deed prior to the Section 4(1) notification; that Ex.C1 related only to a small extent in a

different survey number; that the Reference Court itself rejected Ex.C1 but still enhanced the value without reasons; and that no deductions were applied towards smallness of extent and development charges. The appellant therefore contends that the enhancement is excessive, arbitrary and liable to be set aside.

11. The learned counsel for the appellant/Land Acquisition Officer submitted that the Court below erred in fixing the compensation without making proper deductions. It is contended that the acquired land is a large extent of acreage, whereas the sale deeds relied upon by the Court below relate only to small extents of land. Therefore, suitable deduction ought to have been made while adopting the value reflected in such small extent sale transactions. It is further submitted that the Court below also failed to make appropriate deduction towards development charges, particularly when the acquisition was for a housing scheme. According to the appellant, deductions under the heads of small extent comparison and development charges could go up to 65%, as held in several decisions of the Hon'ble Supreme Court and this Court. Hence, the compensation fixed by the Court below is excessive and requires interference.

12. Per contra, the learned counsel for the respondent/claimant submitted that even if deduction is made towards small extent comparison and development charges, the compensation fixed by the Court below does not call for substantial interference. It is submitted that, after making a reasonable deduction, the market value may be rounded off and fixed at Rs.1,00,000/- per acre, which would be just and reasonable compensation for the acquired land.

13. The following points arise for consideration in this appeal:

i. Whether the Reference Court was right in enhancing the market value from Rs.214.28 per cent to Rs.1,700/- per cent?

ii. Whether Ex.C1 sale deed dated 17.09.1992 relating to S.No.119/2 can be relied upon for fixing the market value of the acquired lands in S.Nos.30/1 and 30/5?

iii. Whether Ex.R2, the data sale relied upon by the Land Acquisition Officer relating to S.Nos.25/3A and 25/3B, correctly reflects the market value of the acquired lands?

iv. Whether the Reference Court failed to apply proper deductions for smallness of extent and development charges?

v. Whether the judgment and decree of the Reference Court require interference in this appeal?

Point Nos.1 to 4

14. The acquired lands are in S.Nos.30/1 and 30/5 at Thazhanoor Village, Walajapet Taluk. The total extent is 1 acre 68 cents. The acquisition was for providing house sites to Adi Dravidars. The relevant date for fixing market value is 17.10.1994, the date of the Section 4(1) notification.

15. The Land Acquisition Officer fixed the value at Rs.214.28 per cent on the basis of Ex.R2, the data sale relating to S.Nos.25/3A and 25/3B. The claimant relied upon Ex.C1, a sale deed dated 17.09.1992 relating to S.No.119/2, under which 10¾ cents were sold for Rs.47,350/-. The claimant also relied upon Ex.C2 Arcot Town Map to show the locational advantages and developmental potential of the acquired lands.

16. Both Ex.C1 and Ex.R2 are prior to the Section 4(1) notification. Therefore, neither document can be rejected on the ground that it is post-notification. The real question is which of them is more comparable and what evidentiary weight should be given to each.

17. Ex.R2 is relevant because it was the data sale adopted by the Land Acquisition Officer. However, the record does not show any measured distance between S.Nos.25/3A and 25/3B and the acquired lands in S.Nos.30/1 and 30/5. Nor is there any detailed comparison as to road access, development, locality advantage or house-site potential. Ex.R2, therefore, may provide a conservative base value, but it cannot be treated as conclusive of the true market value.

18. Ex.C1 is also relevant as a pre-notification sale. It shows that lands in the wider Arcot area had higher market potential. At the same time, Ex.C1 cannot be adopted directly. It relates only to 10¾ cents in S.No.119/2, whereas the acquired extent is 1 acre 68 cents. Further, the Reference Court has recorded, on the basis of Ex.R4 rough sketch, that S.No.119/2 is far away from the acquired lands. Thus, Ex.C1 cannot be treated as a direct comparable sale, but it can be used as a broad indicator of market potential, subject to substantial deductions.

19. The objection of the appellant that Ex.C1 relates to a small extent is correct. But that does not make Ex.C1 wholly irrelevant. A sale deed relating to a small extent can be considered, if otherwise relevant, while

valuing a larger extent; but deductions must be made for smallness of plot, development, roads, open spaces and other amenities.

20. The rate under Ex.C1 works out to approximately Rs.4,405/- per cent. However, the said rate cannot be adopted as such, since Ex.C1 relates to a smaller extent, whereas the acquired land is a larger extent and the acquisition is for a housing scheme. Therefore, appropriate deductions are required towards smallness of extent, locational factors, distance and development charges. If deduction in the range of 60% to 65% is applied, the market value would work out approximately between Rs.1,540/- and Rs.1,760/- per cent. In that view of the matter, the value of Rs.1,700/- per cent fixed by the Reference Court cannot be said to be excessive or unreasonable. The deduction effectively adopted by the Reference Court is about 61.41%, which falls within the permissible and reasonable range.

21. The value fixed by the Land Acquisition Officer at Rs.214.28 per cent appears to be on the lower side. The acquired lands were not acquired as remote agricultural lands, but for house sites. The claimant's evidence, supported by Ex.C2, shows that the lands were in a locality influenced by Arcot town and nearby developments, including roads,

residential areas, factories, hospital and other amenities. These circumstances support the claimant's case that the acquired lands had house-site potential.

22. The reasoning of the Reference Court, however, is incomplete. After observing that Ex.C1 could not be taken as the basis for fixing compensation, it did not explain how it arrived at Rs.1,700/- per cent. It did not state whether it was applying any deduction from Ex.C1; it did not make a detailed comparison between Ex.C1 and Ex.R2; it did not specify the relative distance of the acquired lands from the lands covered under Ex.C1 or Ex.R2; and it did not expressly apply any deduction towards development charges or difference in extent.

23. Nevertheless, the appellate Court is not required to interfere merely because the Reference Court has not expressed its reasons adequately, if the final value can be sustained on an independent appraisal of the evidence. In the present case, Ex.R2 gives only a conservative base value, while Ex.C1 indicates higher potentiality but requires substantial deduction. Weighing both documents together, and taking note of the house-site potential of the acquired lands, the value of Rs.1,700/- per cent cannot be said to be excessive.

24. Accordingly, Point Nos.1 to 4 are answered by holding that the market value of Rs.1,700/- per cent fixed by it does not warrant interference.

Point No.5

25. The appellant is right in contending that the Reference Court did not give adequate reasons and did not expressly apply deductions. However, on independent consideration of the evidence, the final valuation is sustainable. Ex.C1 cannot be adopted directly, but, after substantial allowance for smallness of extent, distance and development, it supports a valuation in the range adopted by the Reference Court. Ex.R2, on the other hand, does not sufficiently reflect the locational advantage and house-site potential of the acquired lands.

26. Therefore, there is no ground to interfere with the final market value fixed by the Reference Court. It is clarified that the confirmation of Rs.1,700/- per cent is not on the exact reasoning given by the Reference Court, but on the independent assessment made by this Court.

27. In the result, the Appeal Suit is dismissed. The judgment and decree dated 30.09.2003 passed in L.A.O.P.No.157 of 2002 by the learned

Additional District and Sessions Judge, Fast Track Court No.II, Ranipet, fixing the market value at Rs.1,700/- per cent, are confirmed.

28. The claimant / legal representative shall be entitled to compensation at Rs.1,700/- per cent with statutory benefits under the Land Acquisition Act, 1894, after giving credit to the amount already received or deposited. There shall be no order as to costs. Consequently, connected miscellaneous petitions if any, stand closed.

09.06.2026

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Index:Yes/No

Speaking Order /Non-speaking order

Neutral citation:Yes/No

To

1.The Additional District and Sessions Court,
(FTC No.II), Ranipet.

2. The Section Officer,
V.R.Records,
Madras High Court.

DR. A.D. MARIA CLETE, J

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PRE DELIVERY JUDGMENT
A.S. No. 1070 of 2019

09.06.2026