

**Dominion Act, 1948**

**Section 16 - PRINCIPLES RELATING TO PAYMENT OF COMPENSATION**

1) Where by reason of the exercise of any powers under this Act, any compensation is payable, the amount, of such compensation shall be determined in the manner and in accordance with the principles hereinafter set out, that is to say,- (a) where the amount of compensation can be fixed by agreement, it shall be paid in accordance with such agreement; (b) where no such agreement can be reached, the Central Government shall appoint as arbitrator a person having expert knowledge as to the nature of the right affected who shall determine the amount of compensation payable, (2) In making his award the arbitrator appointed under sub-section (1) shall have regard- (a) in the case of any compensation payable under section 7 of this Act,- (i) to the nature of the work done, (ii) the manner, extent and duration of the exercise of any powers under that section, (iii) the diminution in the rent at which the land and the property situated thereon might reasonably be expected to let for any period or in the market value of the land and property on the date when the exercise of powers comes to an end, and (iv) the provisions of sub-section (1) of section 23 of the Land Acquisition Act, 1894 (1 of 1894) in so far as such provisions can be made applicable to the exercise of powers under section 7 of this Act; and (b) in the case of any compensation payable under section 8 of this Act, to the price which the owner might reasonably have been expected to obtain on a sale of the article effected by him immediately prior to the date of the acquisition. (3) An appeal shall lie to the High Court against an award of the arbitrator except in cases where the amount claimed thereof does not exceed an amount prescribed in this behalf by the Central Government. (4) The Central Government may make rules prescribing the procedure to be followed in arbitrations under this Act and the principles to be followed in the apportionment of the costs of proceedings before the arbitrator and on appeal. (5) Save as provided in this Act nothing in any law for the time being in force relating to arbitration shall apply to arbitration under this Act. Central Bare Acts