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W.A.No.2133 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 18.11.2025

CORAM:

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM
AND
THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ

W.A.No. 2133 of 2022
and
C.M.P.No.15863 of 2022

The Managing Director,
Tamil Nadu Housing Board,
No.493, Anna Salai, Nandanam,
Chennai – 600 035.

...Appellant

Vs.

1.M.Anandhan (Died)
2.M.Bhuvaneswari
3.M.Jagadesan
4.G.Parimala

5.The State of Tamil Naud,
Rep. by the Secretary to Government,
Housing and Urban Development Department,
Fort St. George, Chennai – 600 009.

6.The Special Tahsildar – II,
(Land Acquisition)
Tamil Nadu Housing Board Scheme,
Nandanam, Chennai – 600 035.

7.Kirupavathi

8.Sam Joseph

[R1 died. R7 & R8 are substituted as LR's of deceased R1
vide Court order dated 30.10.2025 made in
CMP.No.1754/2025 in W.A.No.2133/2022]

...Respondents



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PRAYER: The Writ Appeal filed under Clause 15 of the Letters Patent praying to set aside the order dated 08.12.2021 made in W.P.No.23047 of 2019.

For Appellant : Dr.N.Moorthi, Standing Counsel for TNHB

For Respondents : R1-Died

Mr.A.R.Suresh for R2 to 4, 7 & 8

Mrs.Akila Rajendran,

Govt.Advocate for R5 & R6

J U D G M E N T

(Judgment of the Court was delivered by S.M.SUBRAMANIAM, J.)

Under assail is the writ order dated 08.12.2021 in W.P.No.23047 of 2019.

2. Tamil Nadu Housing Board is the appellant. The respondents 1 to 4 / erstwhile land owners filed a Writ Petition seeking a direction to pay compensation and also to re-convey the remaining extent of land already acquired.

3. Section 4(1) notification was issued by the competent Authority under the Land Acquisition Act on 02.08.1984. Form 7 notification was issued on 09.01.1989. The 1st respondent/ erstwhile owner submitted objections on 02.02.1989. On 14.08.1989, the compensation has been deposited under the Revenue Deposit. On 19.08.1989 award No.8 of 1989 was passed by the



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Land Acquisition Officer. Admittedly, possession has been handed over by the Government to Tamil Nadu Housing Board for developing housing scheme. Tamil Nadu Housing Board had already developed housing scheme and sold the houses to individuals and executed sale deeds.

4. It is not in dispute that initially W.P.No.6751 of 1990 was filed challenging the acquisition proceedings and the Writ Petition was dismissed on 04.04.1996 upholding the validity of the land acquisition proceedings. After completion of land acquisition proceedings in the year 1989, once again erstwhile land owners filed W.P.No.2929 of 2003 seeking re-conveyance of the acquired lands. This Court directed the Government to consider the representation. The competent Authority rejected the representation submitted by the erstwhile land owners seeking re-conveyance of the acquired land.

5. After a lapse of several years, three Writ Petitions have been filed in the year 2019. The writ Court disposed of the Writ Petitions with a direction to settle compensation under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 [hereinafter referred to as "the Act, 2013"] by invoking proviso clause to Section 24(2) of the Act, 2013. Since the writ Court directed the appellant to settle the compensation under the proviso clause to Section 24 of the Act, 2013 the present intra-Court appeal came to be instituted.



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6. The learned counsel appearing on behalf of the appellant would submit that acquisition proceedings in all respects were concluded in the year 1989. Possession was taken on 21.11.1989 and compensation was deposited on 14.08.1989. Tamil Nadu Housing Board developed project and sold the plots along with houses and executed sale deeds in favour of the allottees. That being so, the respondents 1 to 4 / writ petitioners may be at liberty to withdraw the compensation already deposited in the revenue deposit.

7. Learned counsel appearing on behalf of the respondents 1 to 4 / erstwhile land owners would oppose by stating that the respondents 1 to 4 are entitled to get compensation under proviso clause to Section 24 of the New Land Acquisition Act and the writ Court has granted the said relief. Thus, the Writ Appeal is to be rejected. It is further contended that possession was taken during the relevant point of time and it was taken after a lapse of many years. Other erstwhile land owners had not received any compensation. For all these reasons the writ order is to be upheld.

8. This Court considered rival submission made between the parties to the lis.



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9. A close reading of Section 24 would amplify that compensation under New Land Acquisition Act may be considered only if the facts of the case is falling under Section 24(1)(b) and proviso clause. Section 24(1)(b) enumerates *"where an award under said section 11 has been made, then such proceedings shall continue under the provisions of the said Land Acquisition Act, as if the said Act has not been repealed."* The first step would be whether the facts of the case would fall under Section 24(1)(a) or (b) of the Act. If it falls under clause (b) to sub-Section (1), then it is to be examined whether the land acquisition proceedings would lapse under sub-Section (2) to Section 24 of the Act. If it is not lapsed within the meaning of Sub-Section (2) to Section 24, then it is to be examined whether the compensation can be granted by invoking the proviso clause. Proviso clause indicates that *"Provided that where an award has been made and compensation in respect of majority of land holdings has not been deposited in the account of the beneficiaries, then, all beneficiaries specified in the notification for acquisition under section 4 of the said Land Acquisition Act, shall be entitled to compensation in accordance with the provisions of this Act."* For invoking proviso clause, it is to be established that the compensation in respect of majority of land holdings has not been deposited in the account of the beneficiaries. The deposit of compensation has already defined and settled in the judgment of the Hon'ble Supreme Court of India in the case of **Indore**



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SCC 129.

10. In the present case, deposit was made on 14.08.1989 in respect of entire land acquisition proceedings. Therefore, the amount deposited was withdrawn by the erstwhile land owners or not is immaterial for the purpose of considering proviso clause under Section 24. In the present case absolutely there is no pleading that the competent Authority had not deposited the compensation. Further there is no pleading that the compensation in respect of majority of land holdings has not been deposited in the account of the beneficiary. That apart, the writ Court also not made any finding in respect of these facts which are all crucial for invoking proviso under Section 24 of the New Land Acquisition Act. No examination was made by the writ Court nor the respondents 1 to 4 established their case, so as to fit in the present case under the proviso clause to Section 24. That being the factum, this Court is of the considered view that the said proviso clause has no application in respect of present case. The respondents 1 to 4 are entitled to withdraw the compensation already deposited and in this regard, if any, application is made, the competent Authority/ Court may allow the respondents 1 to 4 to withdraw the compensation.



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11. With these observations, the writ order impugned dated 08.12.2021 made in W.P.No.23047 of 2019 is set aside and the Writ appeal stands **allowed**. No costs. Consequently, connected miscellaneous petition stands closed.

(S.M.S., J.) (M.S.Q., J.)
18.11.2025

dsa
Index :Yes/No
Neutral Citation :Yes/No
Speaking/Non-speaking order

To

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