



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on: 20.02.2026

Pronounced on: 27.02.2026

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THE HONOURABLE MR.JUSTICE P.B.BALAJI

**CRP. Nos.5646 & 5647 of 2025
and CMP. Nos.28233 & 28235 of 2025**

CRP. No.5646 of 2025

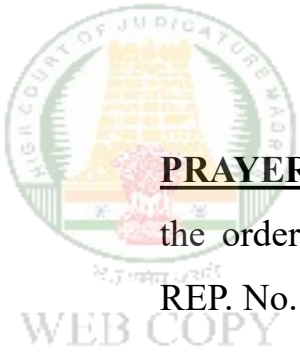
The Project Officer,
Namakkal Highways Authority of India,
Karur -2.
Presently at
National Highways Authority of India,
Rep. by the Project Officer,
project Implementation Unit,
Door No.212-3/D3-1, Sri Nagar Colony,
Narasothipatti, Salem - 636 004.

Petitioner

Vs

M.Mahalingam (Died)
1.Navasilambarasan
2.Kalai Tamilselvi
3.Jeeva Selvalakshmi
4.Sri Devi
5.Minor Gokularasu
Rep. by Guardian Sri Devi
6.Minor Tamilarasi
Rep. by Guardian Sri Devi
7.Pappayee
8.Land Acquisition Officer &
Special Tahsildar (LA),
Bypass Road, Namakkal.
9.Divisional Engineer (N.H.)
Salem.

Respondents



PRAYER: This Civil Revision Petition is filed under 115 of CPC, to set aside the order dated 18.08.2025 of the Additional Sub Court, Namakkal made in REP. No.113 of 2013 in LAOP. No.08/1996.

CRP. No.5647 of 2025

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5.Divisional Engineer (N.H.)
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Respondents

PRAYER: This Civil Revision Petition is filed under 115 of CPC, to set aside the order dated 18.08.2025 of the Additional Sub Court, Namakkal made in REP. No.112 of 2013 in LAOP. No.07 of 1996.

For Petitioners : Mr.Su.Srinivasan in both CRPs

For Respondent : Mr.N.Subramaniyan in both CRPs



COMMON ORDER

These revisions arise under land acquisition proceedings initiated by the National Highways Authority of India.

2. I have heard Mr.Su.Srinivasan, learned Senior Standing Counsel, National Highways Authority of India and Mr.NSubramaniyan, learned counsel for the respondents/landowners.

3. The short point involved in this revision petition is as to whether a deposit made pursuant to an interim order granted at the time of admission of the appeal, challenging the enhancement of compensation by the Reference Court would have to be adjusted towards the principal award compensation or towards interest.

4. Arguments were advanced by the learned counsel on either side in this regard.

5. Mr. Su.Srinivasan, learned Senior Standing Counsel, appearing for the petitioner would straightaway take me through to the judgment of the Division Bench of this Court in AS.No.386 and 387 of 2000, in and whereby the Hon'ble Division Bench modified the award by fixing the market land value at Rs.67/- per sq.ft. While disposing of the batch of First Appeals, the Division Bench of



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this Court, taking note of A.S.No.386 and 387 of 2000, where this Hon'ble Court recording the order passed in CMP.Nos.16759 and 16760 of 2020 by order dated 14.11.2000 had directed deposit of 25% of the enhanced compensation amount to the credit of LAOP.Nos.7 and 8 of 1996 and such deposited compensation amount was directed to remain in fixed deposit on reinvestment plan. Finally, the Hon'ble Division Bench remitted the matter to the Reference Court, giving liberty to the parties to adduce additional evidence and thereafter, for the Reference Court was to decide the compensation amount.

6. It is an admitted fact that after remand and again challenge before this Court in A.S.No.517 of 2015 batch, the market value was reduced from Rs.80/- to Rs.67/- per sq.ft. The revision petitioner has adjusted the 25% of the enhanced compensation amount deposited towards the principal award of compensation and on that basis, has proceeded to make calculations and contend that the entire amount has been deposited on 22.01.2021 and no further amount was required to be paid at the end of the petitioner. However, the landowners have disputed the calculation arrived at by the petitioner, contending that the compliance of the interim order granted by Division Bench by deposit of 25% of the enhanced compensation amount can only be adjusted towards interest first and not from the principal. Therefore, according to the landowners, the calculation adopted by the petitioner was fallacious.



7. The Executing Court, on enquiry, accepted the stand of the landowners and found the petitioner to be further liable to pay amounts to the respondents and proceeded to direct the petitioner to pay a further sum of Rs.72,27,816/- as of July 2025, failing which, directed attachment of the properties mentioned in the Execution Petition to be effected. Therefore, the only point on which the entire case hinges is the interpretation of the order of the Hon'ble Division Bench directing deposit of 25% of the enhanced compensation amount.

8. According to Mr.Su.Srinivasan, learned Senior Standing Counsel, since the Hon'ble Division Bench has specifically stated that the 25% of the enhanced compensation amount has to be deposited, it can only be treated as a deposit or adjustment towards the principal award amount and therefore, this would be a case of an exception to the normal rule that any payment would be first adjusted towards interest and not towards principal.

9. However, countering the said interpretation of Mr.Su.Srinivasan, Ms.N.Subramaniam, learned counsel for the landowners would contend that the Hon'ble Division Bench has not specifically stated that the deposit would be treated as adjustment towards the principal award amount and in the absence of any such observation or direction in the order, this case cannot be projected as an exception to the normal rule for the petitioner, to even contend that they are absolved of all their liabilities.



10. Mr.N.Subramaniyan, learned counsel has also placed reliance on the decisions of the Honorable Supreme Court in support of his contentions:-

1. *Sundar v. Union of India reported in (2001) 7 SCC 211,*
2. *Gurpreet Singh v. Union of India (2006) 8 SCC 457,*
3. *Hyder Consulting (UK) Limited v. Governor, State of Odisha reported in (2015) 2 SCC 189*

and the order of the Jharkhand High Court in

4. *Awadh Kishore Sahay v. State of Jharkhand and others in CMP No.793 of 2023 dated 28.01.2025.*

11. On the side of the petitioner, reliance is placed on the decision of the Hon'ble Supreme Court in Civil Appeal No.4893 of 23 in the matter of the *Executive Engineer, Tamil Nadu Housing Board v. V. Saraswatiammal and another dated 29.07.2024.*

12. However, straightaway I do not see how the decision of the Hon'ble Supreme Court cited by the petitioner's counsel would be of any relevance in view of the narrowed down question to be answered in the present revision petition. The Hon'ble Supreme Court only referred the question of the entitlement of landowners to interest on solacium and additional amount to a



three-judge bench in the light of the date of entitlement of such interest having to be answered by an affirmative decision of a larger bench.

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13. Even insofar as the decisions laid on by learned counsel Mr.Subramanian, except *Gurpreet Singh's case* (referred herein above), I do not see decisions in *Sundar* and *Hyder Consulting' cases* (referred herein above) being of any relevance to the short question in issue in the present revision petitions.

14. In *Gurpreet Singh's case* (referred herein above), the Hon'ble Supreme Court discussed different scenarios, including one where a deposit is made pursuant to an interim order of the Appellate Court and how such deposit should be adjusted or treated. At paragraph 52, the Hon'ble Supreme Court has categorically laid down that if while passing the interim order, the Court has indicated as to how the deposited amount is to be appropriated, then such direction will prevail and the appropriation could only be done on the basis of such direction. Admittedly, in the present case, there is no such direction given by the Hon'ble Division Bench regarding appropriation of the 25% enhanced compensation amount. Merely because the order mentions the deposit to be 25% of the enhanced compensation awarded, it does not mean or imply in any manner that the said deposit is to be appropriated towards the main award of compensation and not towards interest. Thus, when there is no specific direction



or observation with regard to appropriation in the order of the Hon'able Division Bench directing 25% of the enhanced compensation amount to be deposited, I do not see how this case can be brought within any special exemption and consequently, the normal rule of adjusting the said payment towards interest alone would have to be applied, to the facts of these cases.

15. In the light of the above, I do not see any merit in these revision petitions warranting interference under Article 227 of the Constitution of India. The Executing Court has rightly found that the deposited amount pursuant to a condition order can be adjusted only towards interest and not towards the principal award of compensation, I do not find any perversity or illegality in the findings of the Executing Court.

16. Mr.N.Subramaniyan, learned counsel for the petitioner would further make a request that in the light of subsequent decisions entitling the landowners to further interest by factoring the 9% interest to be paid for compensation paid within a period of 12 months from the date of taking possession to be added to the award amount also. However, considering these revisions are only questioning the order directing payment of a particular sum of money and in default attachment, I am unable to accede to the request of Mr.Subramaniyan, learned counsel for the respondents with regard to any further or additional amounts that the landowners may be entitled to, the same cannot be decided in



these revision petitions without giving a fair opportunity to the revision petitioner to contest such claim/ entitlement.

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17. In the light of the above, these Civil Revision Petitions are **dismissed** and the petitioner is given eight (8) weeks time to deposit the amounts as directed by the Executing Court, failing which it shall be open to the respondents to proceed with attachment of the properties of the petitioner, subject matter of the Execution Petitions. Insofar as the further entitlement of the respondents, it shall be open to the respondents to make an independent claim in respect of any further amounts that they may be entitled to by taking out appropriate proceedings in a manner known to law. Consequently, connected Miscellaneous Petitions are also dismissed. No costs.

27.02.2026

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Neutral Citation Case : Yes/No

Internet: Yes/No

Index : Yes/No

To:

The Additional Sub Judge, Namakkal



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P.B.BALAJI, J.,

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Pre-delivery order in
CRP. Nos.5646 & 5647 of 2025
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