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W.A.No.721 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02.04.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.A.No.721 of 2026

A.Shanmugam (deceased)

1.K.A.Subramanian

S/o.Late K.Arumugam

No.118/68-A, 13, Kannankurichi Main Road

Nithya Nagar, Ramanathapuram

Salem-636 008.

2.A.Sathyanathan

S/o.Late K.Arumugam

"Chella Mahal"

Door No.6/30-A, Then Alagapuram

Salem-636 004.

3.S.Manoranjitham

W/o.Late Shanmugam Arumugam

Door No.9/1-A, Kalaivanar Street

Hasthampatti Vollage

Salem District.

4.S.Selvakumari

D/o.Late A.Shanmugam

Door No.9/1-A, Kalaivanar Street

Hasthampatti Vollage

Salem District.



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5.S.Ganeshkumar
S/o.Late A.Shanmugam
Door No.9/1-A, Kalaivanar Street
Hasthampatti Vollage
Salem District.

6.S.Premalatha
D/o.Late A.Shanmugam
Door No.9/1-A, Kalaivanar Street
Hasthampatti Vollage
Salem District.

Appellants

Vs

1.The State of Tamil Nadu
Rep. by its Secretary
Micro, Small & Medium Enterprises Department
Fort St. George, Chennai-600 009.

2.The Tamil Nadu Small Industries Development
Corporation Limited
Rep. by its General Manager (Administration)
SIDCO Corporate Office
Thiru-Vi-Ka Industrial Estate
Guindy, Chennai-600 032

3.Shanthi
W/o.Sathiamoorthy
No.63, Rajaganapathy Nagar
Manakkadu
Salem-636 007

4.N.Banumathi
W/o.Tamilarasan
No.65-A, Anbu Nagar
Manakkadu
Salem-636 007



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5.N.Premalatha
D/o.Narayanasamy
No.65-A, Anbu Nagar
Manakkadu
Salem-636 007

6.Boopathi
S/o.Narayanasamy
No.65-A1, Anbu Nagar
Manakkadu
Salem-636 007

Respondents

PRAYER: Appeal filed under Clause 15 of the Letters Patent to set aside the order passed by the learned Single Judge in W.P.No.31512 of 2018, dated 7.10.2025.

For Appellants: Mr.K.Selvaraj

For Respondents: Mr.M.Habeeb Rahman
Government Advocate
for R1

Mr.G.Vasuthevan
Standing Counsel
for R2

JUDGMENT
(Delivered by the Hon'ble Chief Justice)

Heard learned counsel for the appellants and learned counsel for respondent Nos.1 and 2.



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2. This intra-Court appeal filed under Clause 15 of the Letters Patent assails the order dated 7.10.2025 passed in W.P.No.31512 of 2018, whereby the learned Single Judge dismissed the challenge to the order passed by the second respondent dated 13.7.2018, as also the order passed by the first respondent dated 17.10.2018 rejecting the request made by the appellants for re-conveyance of the property admeasuring 96 cents in T.S.No.1, Ward 'C', Block No.32 at Reddiyur Village, Salem District.

3. Learned counsel for the appellants submitted that, though 40 years have elapsed from the date of acquisition, still the subject-land has not been utilised for the purpose for which it was acquired. Therefore, the land in question ought to have been returned back to the appellants.

4. Learned State counsel appearing for respondent No.1 submitted that vast extent of lands were acquired for the purpose of establishment of SIDCO and the subject-land is part of it. He would submit that there is no forfeiture in respect of the subject-land under Section 16B of the Land Acquisition Act, 1894 [for short, "*the Act*"] and, therefore, the appellants are not entitled to the relief prayed for



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in the writ petition and the learned Single Judge was right in dismissing the writ petition.

5. Learned counsel appearing for respondent No.2 submitted that the land was allotted in the year 1994 and name change was recorded only on 17.12.2009. Thereafter, sale deed was executed on 16.11.2023 in favour of J.P. Industries and J.P. Industries has also started its production activity on the subject-land. He would submit that the learned Single Judge has not committed any error and, therefore, the writ appeal deserves to be dismissed.

6. We have considered the rival submissions made by learned counsel for the parties and also perused the materials available on record.

7. Before advertng to the issue, it would be appropriate to extract the provisions contained in Section 16B and Section 48B of the Act.

Section 16B of the Act reads as under:

"16-B. Land to be forfeited in certain cases.- *Where the Government are satisfied that the land acquired under this*



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Act for any public purpose as referred to in sub-section (1) of section 4 is not used for the purpose for which it was acquired, they may, by an order, forfeit the land as penalty and the land shall vest in the Government in Revenue Department free from all encumbrances:

Provided that no order under this section, shall be made unless the person or authority aggrieved has had a reasonable opportunity of being heard."

Section 48B of the Act reads as under:

"48-B. Transfer of land to original owner in certain cases.- *Where the Government are satisfied that the land vest in the Government under this Act is not required for the purpose for which it was acquired, or for any other public purpose, the Government may transfer such land to the original owner who is willing to repay the amount paid to him under this Act for the acquisition of such land inclusive of the amount referred to in sub-section (1-A) and (2) of section 23, if any, paid under this Act."*

8. As per Section 16B of the Act, where the Government is satisfied that the land acquired under this Act for any public purpose as referred to in sub-section (1) of Section 4 is not used for the purpose for which it was acquired, they may, by an order, forfeit the land as penalty and the land shall vest in the Government. Thus, it is clear that only if the land vests under Section 16B of the Act with the



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Government, Section 48B of the Act can be invoked transferring the land to the original owner.

9. We find that, in the present case, no such vesting of the land under Section 16B of the Act has been done at any point of time. Therefore, there is no question of invoking Section 48B of the Act. We find no error in the order of the learned Single Judge.

The writ appeal is bereft of substance and, therefore, the same is hereby dismissed. There shall be no order as to costs.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)
02.04.2026

Index : Yes/No
Neutral Citation : Yes/No
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To:

1.The Secretary
State of Tamil Nadu
Micro, Small & Medium Enterprises Department
Fort St. George, Chennai-600 009.

2.The General Manager (Administration)
Tamil Nadu Small Industries Development
Corporation Limited
SIDCO Corporate Office
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