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W.A.No.2555 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 22.09.2026
 DELIVERED ON : 25.09.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
 CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.A.No.2555 of 2026CNR:{HCMA010510442026}

and CMP Nos.22601 and 22602 of 2026



Case QR

K.Bhuvaneswari
 W/o.Krishnamoorthy,
 No.A-04, Alagesa Nagar,
 Chengalpattu - 603001.

Appellant(s)

Vs

1. The Government of Tamil Nadu
 Rep. by its Secretary,
 Housing and Urban Development Department,
 Fort St. George, Chennai - 600009.
- 2.The Land Acquisition Officer and
 The Special Tahsildar, Land Acquisition VII Unit II,
 Tamilnadu Housing Board Scheme,
 Arignar Anna Shopping Complex, VII Avenue,
 Thirumangalam, Anna Nagar, Chennai – 600 101.
- 3.The Chairman
 Tamilnadu Housing Board,
 Nandanam, Chennai-600 035.

Respondent(s)

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PRAYER: Appeal filed under Clause 15 of the Letters Patent to set aside the order dated 22.09.2025 passed by the learned Single Judge in W.P.No.3560 of 2016.

For Appellant(s): Mr.V.R.Kamalanathan
for Mr.R.Manibarathi

For Respondent(s): Mr.C.A.Ramanan,
Government Advocate
for R1 and R2

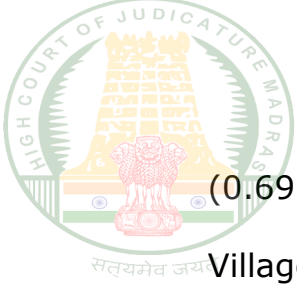
Mr.N.Moorthi
for R3

JUDGMENT

THE CHIEF JUSTICE

This writ appeal is directed against the common order dated 22.09.2025 passed by the learned Single Judge in W.P.No.3560 of 2016 (along with three connected writ petitions arising from the same acquisition scheme), by which the appellant's prayer for a declaration that the land acquisition proceedings relating to her land had lapsed under Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 was rejected.

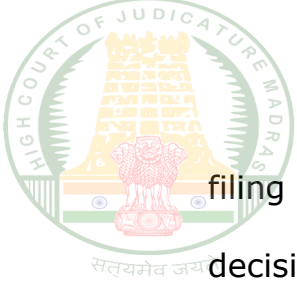
2.1. The facts, in brief, are that the appellant claims ownership of land in Survey No. 67 (0.72 cents) and Survey Nos.68/1 and 68/2

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(0.69 cents), together measuring 1 acre 41 cents, at Alapakkam Village, Chengalpattu Taluk, on which she runs a rice mill. This land, along with adjoining extents, was brought under acquisition by a notification dated 17.07.1989 under the Land Acquisition Act, 1894, for a housing scheme of the Tamil Nadu Housing Board. An Award bearing No.4 of 1992 was passed on 28.08.1992. Since the rightful ownership of the land was in dispute at the enquiry stage, the compensation of Rs.41,636/- was not paid directly to any individual, but was deposited before the Civil Court at Chengalpattu under Sections 30 and 31(2) of the Old Act.

2.2. The appellant made several representations over the years seeking re-conveyance, all of which were rejected. She eventually filed W.P.No.15422 of 2009, in which an interim order of stay of dispossession was granted on 05.08.2009. Once the new Act came into force on 01.01.2014, the appellant filed W.P.No.3560 of 2016 seeking a declaration that the acquisition had lapsed under Section 24(2) of the New Act, on the footing that neither possession had been taken nor compensation paid to her.

2.3. The Tamil Nadu Housing Board resisted the writ petition by

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filing a counter affidavit, which discloses the following, which is decisive of this appeal. The Board's own tabulation shows that possession of Survey Nos.68/1 and 68/2 was taken over as far back as 17.07.2006. Possession of Survey No.67 alone remained with the appellant, and that too only because of the interim stay of dispossession she herself obtained in W.P.No.15422 of 2009. Paragraph (e) of the counter affidavit states the Board's position plainly:

"In the present case, the Award of compensation has been deposited before the Civil Court, Chengalpattu on 22.01.1992 and the physical possession was taken over by the Tamil Nadu Housing Board on 17.07.2006. Therefore, the petitioner herein is not entitled to get any remedy under 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013."

2.4. The learned Single Judge after analyzing the rival claims held that the award was passed in the year 1992 and the award amount was already deposited into the Court concerned and, therefore, the acquisition proceedings cannot be termed as lapsed, since the two primordial conditions to invoke the provisions of Section 24(2) of the New Act are not satisfied by the appellant.

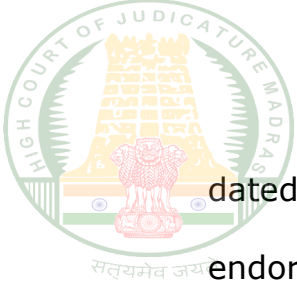


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3. The principal grievance aired by learned counsel for the appellant is that no compensation was ever paid to her and that the deposit referred to by the Board is a bare assertion without material backing.

4. The aforesaid grievance does not survive scrutiny once the documents produced by the respondents are examined. These documents include the office letter bearing reference Rc.No.159/88, addressed by the Special Tahsildar (Land Acquisition) to the Subordinate Judge, Chengalpattu, forwarding a demand draft for Rs.41,636/- for credit to Civil Court deposit; the Form of Reference to Court under Sections 30 and 31(2) of the Old Act, addressed to the Principal Subordinate Judge, Chengalpattu, naming the appellant along with Gopalakrishnan, Janakirama Pillai and Padmanabha Pillai as the persons interested, and recording an extent of 1.66 acres with a total award of Rs.41,636/-; and the statutory Appendix C form under Section 31(2) of the Old Act, again reflecting the identical figures. These are contemporaneous departmental and court-reference records, not an after-the-fact claim produced for the litigation.

5. It is worth noting that the demand draft placed on record is



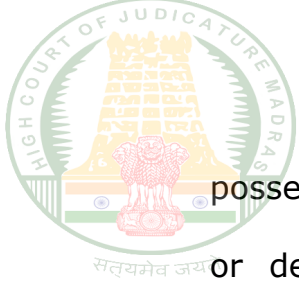
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dated 20.10.1992 and the accompanying papers bear an office endorsement of 22.10.1992, that is, roughly six weeks after the award of 28.08.1992, which is exactly the sequence one would expect.

6. What matters for Section 24(2) of the New Act is not whether the appellant personally received the cheque, but whether compensation was paid or deposited in accordance with law. Where the entitlement to compensation is genuinely disputed among rival claimants, Section 31 of the Old Act itself contemplates deposit in court as the mode of payment. This is what precisely happened here, within two months of the Award. The deposit, therefore, counts as payment of compensation for the purposes of the New Act.

7. The scope of Section 24(2) is no longer at large. The Constitution Bench of the Supreme Court, in *Indore Development Authority v. Manoharlal*¹, settled the question. The Supreme Court held that the word "or" appearing between the two clauses of Section 24(2) of the New Act, viz., non-taking of possession and non-payment of compensation, must be read conjunctively, as "nor" or "and". A lapse can be declared only where both conditions exist together, viz.,

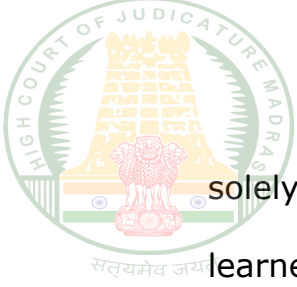
¹ (2020) 8 SCC 129

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possession has not been taken, and compensation has not been paid or deposited. If either of the two has occurred, the acquisition survives. The Supreme Court further clarified that payment includes deposit made under Section 31 of the Old Act where the compensation could not be tendered to the landowner directly, for reasons such as a dispute over title or refusal to accept payment.

8. Tested on the parameters laid down by the Supreme Court in the aforesaid decision, the case of the appellants falls at the first hurdle. Compensation was deposited in the Civil Court in 1992, well before the new Act was even conceived, for the precise reason that ownership was contested among four claimants. This, by itself, is enough to defeat the plea of lapse, regardless of what view one takes on possession. It is only where both limbs remain unmet that Section 24(2) of the New Act comes to the aid of the landowner, and here neither limb is unmet, in as much as compensation stands paid by deposit and possession of the larger part of the acquired extent stands taken as well.

9. On possession, the position is equally clear. The only parcel of land still with the appellant is Survey No. 67, and it remains with her

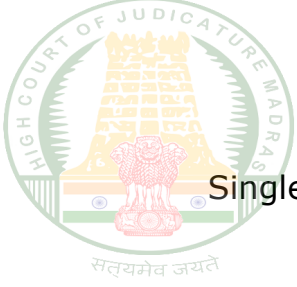
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solely because of an interim stay granted in separate proceedings. The learned Single Judge was right in holding that the twin conditions have been substantially complied with by the respondents and that no case for lapse is made out.

10. The plea that the Award of 1992 is itself void for having been passed beyond the two-year period prescribed under Section 11 of the Old Act was never part of the prayer in W.P.No.3560 of 2016, which was confined to a declaration of lapse under the new Act. A new prayer cannot be introduced for the first time in this appeal, and in any event, a challenge to the validity of a thirty-year-old Award, accepted without demur for decades, is barred by gross delay and laches.

11. The reliance placed on W.P.No.4087 of 2018, said to concern the same scheme, does not carry the case of the appellant any further, since nothing on record shows that compensation in that matter was similarly deposited before the Civil Court within the statutory framework. Each acquisition must be judged on its own facts, and parity cannot be claimed in the abstract.

12. For the reasons set out above, the order of the learned

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Single Judge calls for no interference.

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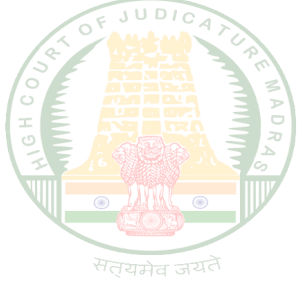
In fine, the writ appeal fails and is dismissed. There shall be no order as to costs. The connected interim applications are closed.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)
25.09.2026

Index : Yes
Neutral Citation : Yes
sasi

To:

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Order QR

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THE HON'BLE CHIEF JUSTICE
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G.ARUL MURUGAN,J.

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