

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 26.09.2019

CORAM:

THE HON'BLE MR.JUSTICE V.BHARATHIDASAN

W.P.No.11254 of 2011

and

M.P.No.1 of 2011

Mrs. E.Pandima Devi
W/o. Dr. D.Elangovan

... Petitioner

Vs.

1. The Chairman cum Managing Director,
Tamil Nadu Housing Board,
Nandanam,
Chennai.

2. The Executive Engineer,
Tamil Nadu Housing Board,
Mogappair Division,
Thirumangalam,
Chennai.

... Respondents

PRAYER : Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorarified Mandamus to call for the records pertaining to the impugned proceedings of the 2nd respondent dated 21.02.2011 in proceedings No.MR4/MRA4/97/2011 and quash the same and consequentially direct the respondents to confirm the sale of the scheduled property by receiving the highest bid amount offered by the petitioner in the auction conducted by the 1st respondent on 29.12.2010.

For petitioners : Mr.T.R.Sundaram

For Respondents : Mr. R.Bharathkumar,

O R D E R

This writ petition has been filed challenging the auction conducted by the respondents-Housing Board.

2. According to the petitioner, the respondents-Housing Board called for a public auction to sell commercial plot in Ambattur, Mogappair Division, Chennai, and the petitioner has participated in the said auction and he was declared as highest bidder. Subsequently, without any notice whatsoever, to the petitioner, the respondents cancelled the auction on the ground that the amount offered by the petitioner is much less than the market value of the property and also directed the petitioner to get back the Earnest Money Deposit and other security amount deposited by him.

3. The learned counsel for the petitioner submits that the petitioner has participated in the auction satisfying all the requirements. Out of 3 persons participated in the auction, he was declared as a highest bidder, but after accepting the bid amount, it is not open to the respondents to cancel the auction without even any notice to the petitioner, which is in violation of principal of natural justice.

4. The learned counsel for the respondents would contend that the public auction has been conducted to sell the commercial property measuring an extent of 3832 sq.feet in the industrial area at Ambattur. It is clearly mentioned in the terms and condition of the auction that the Auction Sale confirmation Committee of the Board has right to confirm or reject the auction without assigning any reason whatsoever. Even though the petitioner was the highest bidder, since the bid amount was very much lower than the market value of the property, the Board has cancelled the auction as per the clause 11 of the Terms and Conditions of the auction notice and there is no illegality in the same.

5. I have heard both sides and perused the materials available on records carefully.

6. Admittedly, the petitioner was the highest bidder in the auction. But, clause 11 of the the terms and conditions of auction notice, empower the Auction Sale confirmation Committee to reject the auction without assigning any reason whatsoever. The relevant portion of the clause reads as follows :

"11. The Auction Sale confirmation Committee of the Board reserves the rights to confirm or to reject the auction sale without assigning any reason therefor."

7. After agreeing the terms and conditions of the auction sale, the petitioner has participated in the auction. Now, it is stated that the bid amount offered by the petitioner is very much less than the market value of the property. In the above circumstances, the Committee have decided to cancel the auction and propose to conduct a fresh auction. It is a settled law that the parties are bound to the terms and conditions of the auction notice. Hence, now it is not open to the petitioner to contend that the auction has been cancelled without any notice whatsoever. In the above circumstances, I find no merit in the writ petition.

8. Accordingly, this writ petition is dismissed. However, in the event of conducting any auction in future, it is always open to the petitioner to participate in the auction.

Sd/-

Assistant Registrar(CS VIII)

//True Copy//

Sub Assistant Registrar

mrp
To

1. The Chairman cum Managing Director,
Tamil Nadu Housing Board,
Nandanam,
Chennai.
2. The Executive Engineer,
Tamil Nadu Housing Board,
Mogappair Division,
Thirumangalam,
Chennai.

+1cc to Mr.R.Bharath kumar , Advocate SR.No. 83278

W.P. No.11254 of 2011

A.SK(28/11/2019)

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