



WEB COPY



W.P.No.11822 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06.06.2024

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

W.P.No.11822 of 2021
and W.M.P.Nos.12568 & 12569 of 2021

B.Nithin Francis

... Petitioner

-Vs -

1. The Executive Engineer and Ado,
Tamilnadu Housing Board,
Annanagar Division,
1st Floor, TNHB Shopping Complex,
Thirumangalam,
Chennai – 600 101.

2. The Manager,
Sales and Service,
Tamilnadu Housing Board,
Annanagar Division,
1st Floor, TNHB Shopping Complex,
Thirumangalam,
Chennai – 600 101.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, calling for the records on the file of the second respondent in letter No.A.NA.O.10/1185/2019 dated 12.04.2021 and quash the same and direct the respondent to extend the time for making the payment of balance amount of Rs.44,95,000/- and Rs.22,47,500/- as may be



W.P.No.11822 of 2021

stipulated by this Court or in the alternative to direct the respondents to refund the EMD amount already paid by the petitioner to the tune of Rs.22,47,500/-.

For Petitioner : Mr.S.Selvathirumurugan

For Respondents : Mr.D.Veerasekaran
Standing Counsel

ORDER

This writ petition has been filed challenging the order passed by the second respondent dated 12.04.2021, thereby cancelled the allotment of commercial site in favour of the petitioner.

2. The first respondent had issued advertisement inviting the application for sale of commercial site plot No.PP-X at Senniamman Koil Scheme. The petitioner had applied for a plot along with registration fee of Rs.5,77,300/- on 14.11.2019. His application was considered and he was provisionally allotted the said shop by the memorandum dated 20.02.2020. Immediately the petitioner was asked to pay a sum of Rs.16,70,200/- being the 25% bid amount for commercial site. The petitioner had paid the said amount on 25.11.2019.



W.P.No.11822 of 2021

3. After accepting the offer, the price was mentioned as Rs.89,90,000/- and the petitioner was requested to pay balance 50% of the bid amount to the tune of Rs.44,95,000/- within a period of six weeks and remaining 25% of bid amount to the tune of Rs.22,47,500/- to be paid after adjusting the application money within a period of twelve weeks from the date of receipt of the confirmation order. The petitioner's bid was confirmed by an order dated 26.02.2020.

4. However, due to Covid-19, the petitioner could not be able to pay 50% of bid amount. Therefore, the petitioner submitted representation seeking extension of time for making payments. However, without considering the same, the allotment of the commercial site was cancelled by the impugned order. Hence, the petitioner filed the present writ petition with the above prayer.

5. The learned counsel appearing for the petitioner submitted that the petitioner is satisfied with the refund of amount which was already paid by him.



W.P.No.11822 of 2021

6. The respondents filed counter and the learned Standing Counsel appearing for the respondents submitted that the allotment letter was issued to the petitioner as successful bidder for the purchase of Plot No.PP-X by the communication dated 26.02.2020. As per the allotment order, the petitioner was directed to pay balance bid amount of Rs.44,95,000/- within a period of six weeks from the date of receipt of confirmation letter and remaining 25% of bid amount of Rs.22,47,500/- to be paid after adjusting the application amount within a period of twelve weeks from the date of receipt of the confirmation order. However, the petitioner defaulted in payment of balance amount. As per the terms and conditions, if the petitioner committed default in payment, the amount which was already paid by the bidder will be forfeited. The application form and the terms are very clear that if the successful bidder fails to pay 50% of bid amount within a period of six weeks, the application money and all the bid amounts will be forfeited.

6.1. He further submitted that the representation submitted by the petitioner for extension of time was duly considered and the petitioner was informed by the communication dated 01.03.2021, to pay



W.P.No.11822 of 2021

the balance amount on or before 31.03.2021. Even then, the petitioner did not come forward to pay the said amount. Therefore, the confirmation of sale in the name of the petitioner was cancelled.

7. Heard the learned counsel appearing on either side and perused the materials placed before this Court.

8. Admittedly, the petitioner paid 25% of the bid amount. However, the petitioner could not be able to pay the remaining amount only for the reason of Covid-19. In fact, the petitioner was suffered with Covid-19. Further, the respondents did not sustain any loss due to the non payment of remaining payment by the petitioner. Therefore, the petitioner is entitled to refund of amount paid by him.

9. Considering the above facts and circumstances, this Court finds no infirmity or illegality in the order passed by the second respondent. However, the second respondent is directed to refund the amount paid by the petitioner to him, within a period of six weeks from the date of receipt of a copy of this Order.



W.P.No.11822 of 2021

WEB COPY 10. With the above directions, the Writ Petition stands disposed of. Consequently, connected miscellaneous petitions are closed. There shall be no orders as to costs.

06.06.2024

Index : Yes/No
Speaking/Non Speaking order
Neutral Citation : Yes/No

rts



W.P.No.11822 of 2021

To
WEB COPY

1. The Executive Engineer and Ado,
Tamilnadu Housing Board,
Annanagar Division,
1st Floor, TNHB Shopping Complex,
Thirumangalam,
Chennai – 600 101.
2. The Manager,
Sales and Service,
Tamilnadu Housing Board,
Annanagar Division,
1st Floor, TNHB Shopping Complex,
Thirumangalam,
Chennai – 600 101.



WEB COPY



W.P.No.11822 of 2021

G.K.ILANTHIRAIYAN. J.

rts

W.P.No.11822 of 2021 and
W.M.P.Nos.12568 & 12569 of 2021

06.06.2024