WEB COPY



IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED: 16-07-2025**

CORAM

**THE HONOURABLE MR JUSTICE N. ANAND VENKATESH**

**WP No. 8413 of 2024**

1. M.Jayaraman
S/o.J.Manickam

Petitioner(s)

Vs

1. The Chairman
Tamil Nadu Housing Board,
CMDA Complex, E & C Market Road,
Koyambedu, Chennai-107.

2.The Manager
Sales And Service,
Tamil Nadu Housing Board,
Erode Division, Sambath Nagar,
Collector Office Post, Erode- 638 011.

3.The Executive Engineer And
Administrative Officer,
Tamil Nadu Housing Board,
Erode Division, Erode.

Respondent(s)

WEB COPY



**PRAYER**

Calling for the records related to the impugned order passed by the 2nd Respondent dated 06.12.2023 passed in Letter No.R4/ 2927/ 15 and quash the same and consequently direct the Respondents to collect the balance amount from Petitioner and execute a sale deed in favour of petitioner for the House No.MIG 780, Muthampalayam, Phase- 3 (Self financing Scheme), Erode.

For Petitioner(s): Mr.K.Arumugam
for M/s.N.Sudharsan

For Respondent(s): Mr.D.Veerasekaran
Standing Counsel for R1-3

**ORDER**

The writ petition was disposed of on merits by order dated 10.07.2025 and the following order was passed,

> "*This writ petition has been filed challenging the impugned proceedings of the 2nd respondent dated 06.12.2023 and for a consequential direction to the respondents to collect the balance amount from the petitioner and execute the sale deed in his favour in respect of the subject property.*
>
> *2. The case of the petitioner is that the property was alloted in his favour by the Housing Board and the petitioner also deposited the amount of Rs.1,54,250/-. However, he received a notice dated 24.09.2020 from the 2nd respondent calling upon him to pay a sum of Rs.38,95,646/-. On receipt of the notice, the petitioner expressed his willingness to make the entire payment without any interest or penal interest. Thereafter, the petitioner again received a notice dated 16.11.2020 from the 2nd respondent*

https://www.mhc.tn.gov.in/judis

WEB COPY



*informing the petitioner that the allotment made in favour of the petitioner has been canceled. The petitioner thereafter made a representation to the 2nd respondent to withdraw the cancellation order. The same came to be rejected and aggrieved by the same, the present writ petition has been filed before this Court.*

*3. The 3rd respondent has filed a counter affidavit. The relevant portions of the counter affidavit are extracted hereunder,*

*"3. I respectfully submit that the writ petitioner submit an application No.ED914 for an allotment of a Middle Income Group (MIG) House in Muthampalayam Phase-III Self Finance Scheme along with the Demand Draft for Rs.1,54,250/- on 06.11.2015. Subsequently, the respondent office conducted a lot on 22.01.2016 and the MIG House No.M780 in Muthampalayam Phase-III Self Finance Scheme was allotted to the writ petitioner vide allotment order dated 05.02.2016 for the tentative cost of Rs.30,85,000/- for a tentative extent of 1453 sq.ft. and Plinth Area of 673 sq.ft.*

*4. I respectfully submit that the writ petitioner/allottee paid the Initial Deposit (ID) dRs.1,54,250/- within 21 days from the receipt of the allotment order dated 05.02.2016. Subsequently, the respondent has revised the tentative cost of the said house for the excess land, the amount for the corner plot and the same was intimated to the writ petitioner along with remaining installments details vide letter dated 18.05.2016. The details as follows:-*

https://www.mhc.tn.gov.in/judis

WEB COPY



| S.No | Amount to be paid | Time Limit |
|---|---|---|
| 1 | Rs.9,59,400/-<br>(25% of total amount) | On or Before 31.05.2016 |
| 2 | Rs.9,59,400/-<br>(25% of total amount) | On or Before 31.07.2016 |
| 3 | Rs.7,67,550/-<br>(20% of total amount) | On or Before 30.10.2016 |
| 4 | Rs.5,75,650/-<br>(20% of total amount) | On or Before 31.07.2017 |
| 5 | Rs.2,67,200/-<br>(20% of total amount) | At the time of handing over |

*5. I respectfully submit that after the payment of 1st installment of Rs.3,08,500/-, the writ petitioner has defaulted to pay the remaining installments and violated the allotment condition. Hence, penal interest will be levied till the payment of the outstanding amount and so far the writ petitioner has paid only Rs.3,08,500/- (as on 25.07.2020)-*

*6.1 respectfully submit that, the respondents has communicated two letters dated 25.07.2020 and 24.09.2020 to the writ petitioner, requested to pay the outstanding amount with interest for the said house. But, the writ petitioner did not avail the opportunity and defaulted. Hence, the allotment was cancelled and the same was communicated to the writ petitioner on 16.11.2020.*

*7. I respectfully submit that the writ petitioner sent a request letter dated 21.01.2021, to revoke the cancellation order dated 16.11.2020. Subsequently,*

https://www.mhc.tn.gov.in/judis

WEB COPY



*the writ petitioner sent the letter dated 25.02.2021 and 07.02.2022 seeking NOC and Blue Print, etc. for availing Home Loan at the District Collector's Office.*

*Since, the 3rd respondent do not have any authority/power to revoke the cancellation order dated 16.11.2020. Therefore the 3rd respondent submitted the file to the Revocation Committee of the Board for revocation of the cancellation order dated 16.11.2020 vide letter dated 25.07.2022.*

*8. I respectfully submit that the revocation committee revoked the cancellation order dated 16.11.2020 on 30.08.2023 and the same was communicated to the 3rd respondent vide letter dated 03.10.2023. The cancellation was revoked with condition to pay Rs.61,22,673/- (the petitioner is due to pay to the Board up to 30.08.2023 with interest) within one month and the same was intimated to the Writ Petitioner through letter dated 02.11.2023.*

*9. Subsequently, the writ petitioner after receiving the letter dated 02.11.2023 has defaulted to pay the outstanding amount of Rs.62,68,000/- (as on 31.11.2023). Hence, the cancellation of allotment on 16.11.2020 was confirmed and the same was communicated to the writ petitioner on 16.12.2023. Aggrieved against the said letter dated 16.12.2023, the writ petitioner filed this writ petition.*

*10. I respectfully submit that the writ petitioner is the chronic defaulter and has paid only Rs.3,08,500/- till date for the said allotment. The House No. M780 was allotted on 05.02.2016 with terms & conditions and*

WEB COPY



*the cost revised on 18.05.2016. Since, the writ petitioner has defaulted; the allotment was cancelled on 16.11.2020 due to non-payment of outstanding amount with penal interest.*

*Subsequently, on the request of the writ petitioner, the revocation committee has revoked the cancellation order dated 16.11.2023 with condition to pay Rs. Rs.61,22,673/-(The petitioner is due to pay to the Board up to 31.08.2023 with interest). But the writ petitioner defaulted again violated the revocation condition. Hence, the cancellation order dated 16.11.2020 was confirmed on 16.12.2023."*

*4. Heard Mr.D.Bennington, learned counsel for the petitioner and Mr.D.Veerasekaran, learned Standing Counsel appearing for the respondents.*

*5. It is clear from the above that the writ petitioner is a chronic defaulter and he had paid only a sum of Rs.3,08,500/-. Since he had defaulted, the revocation committee had cancelled his allotment. An opportunity was given to the petitioner through a letter dated 02.11.2023 to pay the outstanding amount of Rs.62,68,000/-. Since the same was not paid, the revocation committee had no other option, except to confirm the earlier order.*

*6. This Court does not find any merits in the present writ petition. Accordingly, the writ petition is dismissed. No costs. Consequently, the connected miscellaneous petitions, if any, are closed.*

2. Thereafter, a mention was made on the side of the petitioner that the

https://www.mhc.tn.gov.in/judis

WEB COPY

petitioner is willing to pay the outstanding amount and that sometime is required.

3. In the considered view of this Court, the total outstanding amount as per Housing Board is Rs.62,68,000/- and since this amount was not paid, the allotment itself was cancelled. Therefore, if really the petitioner wants to pay this amount and seek for re-allotment, it is left open to the petitioner to make a representation to the Housing Board and follow it up. Except giving this clarity, no further positive directions can be issued.

**16-07-2025**

gd/kp
Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

WEB COPY



To

1.The Chairman
Tamil Nadu Housing Board, Cmda
Complex, E And C Market Road,
Koyambedu, Chennai-107.

2.The Manager
Sales And Service, Tamil Nadu
Housing Board, Erode Division,
Sambath Nagar, Collector Office Post,
Erode- 638 011.

3.The Executive Engineer And
Administrative Officer
Tamil Nadu Housing Board, Erode
Division, Erode.

https://www.mhc.tn.gov.in/judis

WEB COPY



**N.ANAND VENKATESH J.**

gd/kp

**WP No. 8413 of 2024**

**16-07-2025**