



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10-06-2025

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THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

WP No. 18093 of 2023

P.G.Shunmugam

Petitioner(s)

Vs

1.State of Tamil Nadu

Rep. by its Secretary to Government,
Housing Unit And Urban Development
Department, Fort St. George,
Chennai - 600 009.

2.The Managing Director,
Tamil Nadu Housing Board,
CMDA Complex, E and C Market
Road, Koyambedu,
Chennai - 600 107.

3.The Manager Marketing Sales and
Service,
O/o. The Executive Engineer and
Administrative Officer, Coimbatore
Housing Unit, Tatabad,
Coimbatore - 641 012.



Respondent(s)

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calling for the records relating to the impugned letter no.A2/12926/2022 dated 24.02.2022 pursuant to Lr.No./CHU/9/DLC/1-4/2016 dated 09.02.2016 of the 3rd respondent based on the working sheet of Finance Consultant dated 29.02.2016 in Lr. No.C2/16716/2014 and quash the same and consequently directing the respondents to refund the excess amount of Rs.2,88,326/- to the petitioner paid by him for allotment of House, MIG No.842, with the land measuring an extent of 1506 square feet, at Ganapathy Maa Nagar, IV Block, Ganapathy, Coimbatore within a time stipulated by this Court with interest at the rate of 15% from 01.04.2016 till the date of payment.

For Petitioner(s): Mr.R.Kannan

For Respondent(s): Mr.A.M.Ravindranath Jeyapal
Standing Counsel for R1 to R3

ORDER

When the writ petition came up for hearing on 03.06.2025, this Court passed the following order:

“This Writ Petition has been filed challenging the impugned letter dated 24.02.2022 of the 3rd respondent and for a consequential direction to the respondents to refund the excess amount of Rs.2,88,326/- paid by the petitioner for the allotment



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of the house MIG No.842 with land measuring an extent of 1506 square feet at Ganapathy Maa Nagar, IV Block, Ganapathy, Coimbatore, along with interest.

2. The litigation regarding the determination of the final cost has been going on for a long period of time. Ultimately, an order was passed by this Court in a Contempt Petition in Sub-Application No.360 of 2017 in Contempt Petition No.3394 of 2014 etc., batch, constituting an Arbitration Tribunal headed by Hon'ble Justice K. Venkataraman (retired) and two other members. After hearing all the parties concerned, the Arbitration Tribunal came to the following conclusion,

“30) For all the reasons stated above this tribunal comes to the conclusion that,

(a) the excess amount of /differential cost, rate of interest, period of interest and applicable waiver of interest should be corrected and calculated in the light of the orders in W.P No. 29036 of 2013 etc, batch of the Hon'ble High Court dated 08.01.2014 and Hon'ble Supreme Court in SLP(C) 2320 of 2011 (11 SCC 139-the Service Society case) and to shall issue fresh demand notice to the Allottees, within 3 Months from the date of communication of this award.

(b) The Executive Engineer and Administrative



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Officer of the concerned division i.e. Vellore and Coimbatore are directed to prepare a revised cost statement with the details and shall communicate by way of final demand notice to the Allottees concerned within a period of 3 months from the date of communication of this Award to TNHB and giving a time limit of 3 months from the date of serving the notice to the Allottees to pay the balance amount payable, if any

(c) The Allottees are directed to take all possible measures to pay the outstanding amount if any, as per the notice of the final demand given by TNHB.

(d) The excess payment made if any by the Allottees over and above the final cost has to be refunded to them within three months of the communication of the final demand to the Allottees.

(e) On payment of the balance amount by the Allottees, the sale deed has to be executed within a period Two months thereafter.”

3. The case of the petitioner is that he comes under clause (d), wherein the petitioner claims to have made excess payment over and above the final cost, and therefore, the petitioner seeks for refund of the same along with interest.

4. The petitioner in order to substantiate his claim is relying upon the calculation memo prepared by the Tamil Nadu Housing Board which forms part of



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the paper book.

5. The grievance of the petitioner is that the 3rd respondent, instead of refunding the excess amount calculated as per the arbitral award, came to the conclusion that no such direction was issued by the Tribunal and that the sale deed had already been executed in favour of the petitioner, and therefore, there is no question of any refund.

6. On prima facie consideration of the materials placed before this Court, it can be seen that even as per the working sheet of the finance consultant, the petitioner will be entitled to refund of any excess amount. Such a right can be traced to the final conclusion arrived by the Tribunal, and the petitioner will fall within paragraph No. 30(d) of the award.

7. The learned Standing Counsel appearing on behalf of the Tamil Nadu Housing Board seeks some time.

8. As a last chance, post the matter under the caption “For orders” on 10.06.2025.



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2. When the matter came up for hearing today, the learned Standing Counsel appearing on behalf of the Tamil Nadu Housing Board placed the copy of the order passed by the Hon'ble Division Bench in W.A.No.590 of 2013. The learned counsel submitted that if the petitioner falls within paragraph 30(d) of the conclusion arrived at by the Arbitration Tribunal, he will be entitled for a refund.

3. The Hon'ble Division Bench in the above judgment has observed that in all cases where the amount has been paid under protest, such of those petitioners, would be entitled for refunds. Therefore, the case must not be considered individually for refund, and the refund must be made to the concerned petitioner.

4. In the case in hand, the petitioner has taken a categorical stand that there is an excess amount of Rs.2,88,326/- paid by the petitioner for the allotment of the Plot.



5. In view of the same, the petitioner will be entitled for the refund of the amount as per the conclusion arrived at by the Arbitration Tribunal.

6. Accordingly, there shall be a direction to the respondents 2 and 3 to deal with the claim made by the petitioner. The excess amount paid by the petitioner shall be refunded with the interest at the rate of 6% from the date it became payable till the date of actual payment to the petitioner within a period of four (4) weeks from the date of receipt of a copy of this order.

7. This Writ Petition stands disposed of in the above terms. No costs.

10-06-2025

Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

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To
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1.State Of Tamilnadu
Repted By Its Secretary To
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George, Chennai - 600 009.

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N.ANAND VENKATESH J.

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