



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-09-2025

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CORAM

**THE HONOURABLE MR JUSTICE S. M. SUBRAMANIAM
AND
THE HONOURABLE MR.JUSTICE MOHAMMED SHAFFIQ**

**WA No. 484 of 2023
and
CMP No. 4576 of 2023**

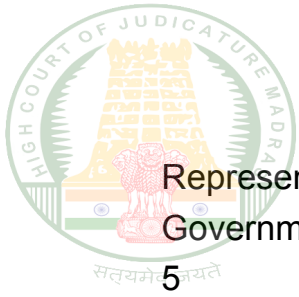
Murungappakkam Kaviarasu
Bharathiyar Nagar Manai Vangiyor
Nalvazhu Sangam
Represented by its President,
Mr.Ramalingam, No.137, Aft Mill St,
Thai Book Centre, Mudaliarpeta,
Puducherry.

Appellant(s)

Vs

1.The Pondicherry Housing Board
Employees Union
Represented by its president,
P.Ishwarane, Housing Board Office
Complex, Anna Nagar, Nellithope,
Pondicherry - 5.

2.The Government of Puducherry



Represented by its Secretary to
Government, (Housing) Pondicherry -

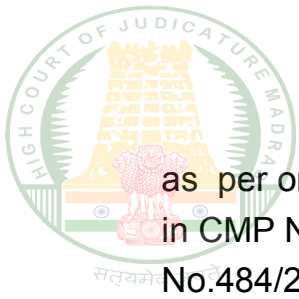
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3.The Pondicherry Housing Board
Represented by its Secretary,
Anna Nagar, Nellithope,
Puducherry - 5.

- 4.Subramanian
- 5.Spurgeon Ganamuthu
- 6.D.Ravi
- 7.R.Anbumani
- 8.S.Kaliamoorthy
- 9.S.Sangaralingam
- 10.Devanathan
- 11.K.Velu
- 12.P.Pabou
- 13.J.Balu
- 14.M.Velayoudam
- 15.S.Kumaravel
- 16.C.Jawaharlal Nehru
- 17.S.Rajendiran
- 18.V.Kumarasegar
- 19.N.Arul Pragasam
- 20.J.Raja
- 21.P.Kumaran
- 22.K.Murugan
- 23.B.Souciradjou
- 24.A.Annadurai
- 25.T.Thiyagarajan
- 26.N.Kannan
- 27.R.Sivacoumar

[R5 to R27 impleaded as respondents



as per order dated 22.09.2025 made
in CMP No.22575/2025 in WA
No.484/2023]

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Respondent(s)

PRAYER

Writ Appeal filed under Clause 15 of Letters Patent, to set aside the order made in WP.No. 32872 of 2012 dated 26.08.2022 on the file of this Court.

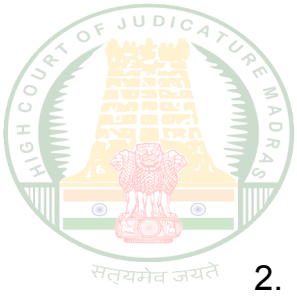
For Appellant(s): Mr.R.Udhayakumar

For Respondent(s): Mr. Sunny Sheen Akara
For Mrs.V.Srimathi
For R1, R5 to R27
Mr.V.Vasanthakumar
Additional Government Pleader
Puducherry For R2
Mr.T.P.Manoharan
Senior Counsel
For Mr.T.M.Naveen For R3
R4-Deceased.

J U D G M E N T

(Judgment was delivered by S.M.Subramaniam J.)

Under assail is the writ order dated 26.08.2022 passed in W.P.No.32872 of 2012. The appellant was not a party to the writ proceedings and by securing leave from this Court, the present Intra-Court Appeal has been filed.



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2. It is not in dispute between the parties that the subject property was acquired for developing housing scheme through the requisitioning body namely the Pondicherry Housing Board. During the acquisition proceedings, some of the erstwhile owners of the land executed sale deed in favour of the members of the appellant/Association. Though the association members purchased the land by paying sale consideration to the erstwhile owners, subsequently the land acquisition concluded in all respects and the Government settled compensation in favour of the erstwhile land owners. The land absolutely vest with the Government and was handed over to the Pondicherry Housing Board, which later formed a layout.

3. The members of the appellant/Association, who had purchased land from the erstwhile land owners made an application before the Hon'ble Chief Minister, who in turn forwarded the application with a recommendation. Consequently, the Government passed a G.O.Ms.No.40/2015-Hg, Chief Secretariat (Housing) dated 21.12.2015 regarding allotment and sale of one undeveloped plot measuring to an extent of 1000 Sq.ft to each of the



Distressed purchasers of the land bearing T.S.No.N-12/22 (R.S.No.144/2) at Murungappakkam Revenue Village owned by the Puducherry Housing Board.

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The said Government order was passed in exercise of the powers conferred under Section 59 of the Pondicherry Housing Board Act, 1953 and in the public interest.

4. The Lieutenant Governor, Puducherry is pleased to approve the proposal for the allotment of one undeveloped plot measuring an extent of 1000 Sq.ft to each of the Distressed purchasers in the above said land at Murungapakkam Revenue Village on the sale price of Rs.720/- per Sq.ft and the allotment of plot shall be made to the Distressed purchasers as per the guidelines annexed in the GO.

5. Paragraph 5 of the said Government order would indicate that the decision was taken by the Pondicherry Housing Board, in its 123rd Board Meeting held on 15.07.2014. A condition was imposed that the eligible Distressed purchaser should not alienate or encumber the plot for a period of five years of the date of sale and in case higher compensation is claimed by



the landowner the same shall be borne equally by the Distressed purchaser.

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6. A careful reading of the Government policy would indicate that this is not a routine allotment of housing plots by the Housing Board. The members of the appellant/Association was treated as Distressed purchaser and in exercise of the powers conferred under the Pondicherry Housing Board Act, 1973, a special scheme was framed with a condition that the Distressed purchaser should not alienate or encumber the plot for a period of five year. The condition highlights that Distressed purchasers are treated as a clause by themselves and they are not regular allottees of housing plots under any of the Housing Board Scheme. The guidelines annexed along with the said Government order, specifically Clause 6 reads as under:

“6. The "Distressed Purchasers" have represented that if allotment and sale of undeveloped plots are not made to each of them at concessional sale price under this scheme, they would be rendered homeless and put to hardship. The Government/Board has sympathetically considered the said representation and only with bonafide intention to provide a place of their own for living on humanitarian grounds, it is allotting and selling



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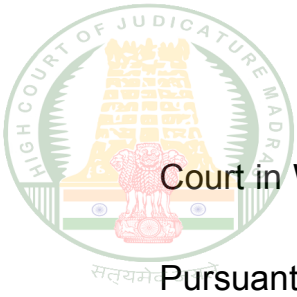


the undeveloped plots to them at concessional sale price under this Scheme. Hence, after such allotment and sale, they shall own and possess the said undeveloped plots without alienating or encumbering the same by way of sale, mortgage etc. for a period of not less than 5 (five) years from the date of registration of sale deed made to them by the Board.”

7. In continuation, the Government issued G.O.Ms.No.04/2016-Hg, Chief Secretariat (Housing) dated 29.02.2016 and issued an addendum to G.O.Ms.No.40/2015-Hg dated 21.12.2015 which reads as under:

“The agreement towards sale at concessional rate of Rs.720/- per Sq.ft would contain a subjective clause making the purchasers liable to pay the difference of cost, if any, in future, based on the orders of the Court in W.P.No.32872/2012, pending in Hon'ble High Court of Judicature at Madras and the distressed purchasers list shall be placed before the Board for final action”

8. Relying on the said addendum to the policy, the learned Senior Counsel appearing on behalf of the respondent/Housing Board would contend that the concessional rate is subject to further orders to be passed by the High



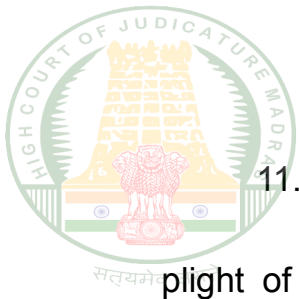
Court in W.P.No.32872 of 2012. Therefore, the rate cannot be treated as final.

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Pursuant to the addendum of the Government, a separate Clause was included in the sale deed executed in favour of 58 members of the appellant/Association and those conditions are binding on them. That being so, the initial rate of Rs.720/- per Sq.ft cannot be construed as final and the Housing Board is empowered to fix market rate as per the said addendum and in view of the Clause incorporated in the sale deed executed in favour of 58 members of the appellant/Association.

9. The learned counsel for the Employees Union, while supporting the contentions raised on behalf of the Housing Board, would reiterate that the employees are working without salary on account of such concessional rate of allotment of plots to distressed purchasers.

10. Writ Court considered these aspects and issued a direction to the Government of Puducherry to fix the market value prevailed in the year 2017 for the purpose of recovering the balance cost towards the allotted plots.



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11. This Court is of the considered view that the Government considered plight of these distressed purchasers at the initial stage and formulated a policy and issued a G.O.Ms.No.40/2015-Hg dated 21.12.2015. Guidelines and conditions are issued along with the policy decision. When the members of the appellant/Association have been treated as a homogeneous clause and special conditions are fixed and the concessional rates also has been fixed as Rs.720/- per Sq.ft, enhancement of rate would be not only unreasonable but running counter to the policy decision taken by the Government under G.O.Ms.No.40/2015-Hg dated 21.12.2015. In respect of the addendum issued in G.O.Ms.No.04/2016-Hg dated 29.02.2016, it is only with reference to the pendency of the writ petition and the said addendum provides power to the Government to enhance the concessional rates already fixed in future, if any orders passed in the writ petition. Writ Court ordinarily would not interfere with the policy decision regarding fixation of plot costs by the Housing Board or by the Government. Therefore, Courts enhancing the Plot costs would not arise at all.

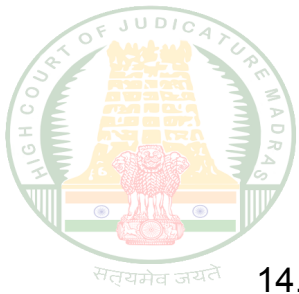
12. More so, the writ petition in W.P.No.32872 of 2012 was filed by the



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Employees Union challenging the policy decision taken by the Government in consultation with the Housing Board and the fixed concessional rate of Rs.720/- per Sq.ft for the distressed purchasers. The Employees Union has no locus standi to challenge such policy decision of the Government regarding fixation of concessional sale price or allotment of Housing Board plots in favour of distressed purchasers.

13. The Writ Court directed the Housing Board to fix the market value as on July, 2017. Such a direction would infringe the right conferred on the distressed purchasers under G.O.Ms.No.40/2015-Hg dated 21.12.2015. In the event of fixing market value of the property, the very purpose and object of the scheme framed by the Government in favour of distressed purchasers would be defeated. Since the Government treated these distressed purchasers as a different class and granted allotment to mitigate their grievances, there is no reason for the Writ Court to issue a direction to fix market value of the property, which is not in consonance with the policy and guidelines issued in favour of the distressed purchasers in G.O.Ms.No.40/2015-Hg dated 21.12.2015.

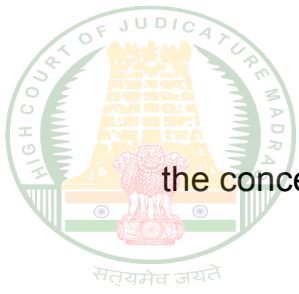


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14. Therefore, the employees Union has no locus standi to challenge the policy decision regarding the allotment of housing plots by the housing board or regarding fixing of concessional rate for distressed purchasers taking into consideration various mitigating facts. As far as the Government of Puducherry is concerned, the addendum is not running counter to the policy, it only clarifies that any direction issued by the High Court in WP No.32872 of 2012 will be adopted.

15. Since this Court formed an opinion that Writ Court has exceeded by allowing the respondents to fix the market value contrary to the policy already framed and the concession already granted to these distressed purchasers.

16. Pertinently the said policy issued in G.O.Ms.No.40/2015-Hg dated 21.12.2015 as well as the addendum issued in G.O.Ms.No.04/2016-Hg dated 29.02.2016 remain unchallenged. Since the policy is intact, the benefit of the policy is to be extended to the members of appellant Association, who all are considered as distressed purchasers for the purpose of getting housing plot at



the concessional rate of Rs.720/- per Sq.ft.

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17. It is brought to the notice of this Court that the sale deeds were executed in favour of 58 distressed purchasers. Therefore, they are not liable to pay any further costs to the housing board in respect of the plot allotted and sale deed executed in their names.

18. As far as the Employees Union is concerned their grievances are that the Housing Board has not paid their salary. It is a service condition, which is to be enforced in the manner known to law. Since the Employees Union has no locus standi to interfere with the present policy decision for allotment of the housing plot or fixation of plot cost, they are at liberty to redress their grievances by initiating appropriate proceedings in the manner known to law.

19. Under these circumstances, the impugned order to the extent of directing the authority to fix the market value of the plots as on July 2017 and to recover the difference in costs from these distressed purchasers, is hereby



set aside and consequently, the Writ Appeal stands allowed. The connected

Miscellaneous Petition is closed. There shall be no order as to costs.

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(S.M.SUBRAMANIAM J.)(MOHAMMED SHAFFIQ J.)

22-09-2025

(2/2)

Index:Yes/No

Speaking/Non-speaking order

Neutral Citation:Yes/No

Jeni

To

1.The Pondicherry Housing Board
Employees Union
Rep. by its president P. Ishwarane,
Housing Board Office Complex, Anna
Nagar, Nellithope, Pondicherry - 5.

2.The Government of Puducherry
rep. by its Secretary to Government,
(Housing) Pondicherry - 5

3.The Pondicheery Housing Board
rep. by its Secretry, Anna Nagr,
Nellithope, Puducherry - 5.



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AND
MOHAMMED SHAFFIQ J.**

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