



W.P. No. 26454 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.07.2025

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THE HONOURABLE MR.JUSTICE N. ANAND VENKATESH

W.P. No. 26454 of 2023

1.P. Udaya Shankar Babu
2.U. Manjula

... Petitioners

Vs.

The Executive Engineer & Administration,
Tamil Nadu Housing Board,
Besant Nagar Division,
No.48, Dr. Muthulakshmi Salai,
Adyar, Chennai – 600 020.

... Respondent

Writ petition is filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, to call for the records of the respondent in their impugned order dated 07.08.2023 in No.AL 1/701301/2012 and to set aside the same as illegal and direct the respondent to return the amount of Rs.9,59,000/- with interest from the date of payment to till date which was paid as advance money in respect of the property being Flat No.H-103 in 12th Floor, B Type – 117, HIG Flats at Sholinganallur, Phase II Scheme under CG Category.

For Petitioners : Ms. N. Gayathri

For Respondent : Mr. D. Veerasekaran,
Senior Counsel



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ORDER

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This Writ Petition has been filed challenging the impugned communication of the respondent dated 07.08.2023 and for a direction to the respondent to return the amount of Rs.9,59,000/- with interest from the date of payment till the date of realisation.

2. Heard the learned counsel for the petitioner and the learned Standing Counsel for the respondent.

3. The petitioners had initially submitted application and they were allotted a Flat. The petitioners had paid a sum of Rs.9,59,000/-. They entered into a sale cum lease agreement with the Housing Board. Ultimately, the petitioners did not pay the differential cost and hence, the allotment itself came to be cancelled. The petitioners had earlier filed writ petitions challenging the cancellation of allotment. But however, those writ petitions were withdrawn. The petitioners reconciled to the fact that, it will be better to get back the amount paid by the petitioners along with interest. Hence, representation was made in this regard and since the same was not considered, the petitioner filed W.P.No.30327 of 2022 seeking for return of the advance amount along with interest. The said writ petition was disposed of on 15.11.2022.

4. Pursuant to the above order, the impugned communication dated 07.08.2023



has been issued by the respondent. The same has been put to challenge in this writ petition.

5. The respondent has filed detailed counter explaining the earlier writ petitions filed by the petitioners. According to the respondent, they are entitled to deduct 50% of the amount when allotment is cancelled and whereas, the entire principal amount has been paid to the petitioners. Therefore, the respondent has denied payment of any further amount to the petitioners and sought for the dismissal of this writ petition.

6. This Court has carefully considered the submissions made on either side and the materials available on record.

7. On carefully going through the agreement entered into between the parties, Clause 1(n) provides that the vendor is liable to pay interest to the purchaser at the rate of 4% for the amount paid to the vendor for the period beyond the project period. Even, in the counter affidavit filed by the respondent, a mention has been made regarding this Clause.

8. In view of the above, this Court is inclined to grant 4% interest to the petitioners towards the amount paid by the petitioners to the tune of Rs.9,59,000/-. Hence, there shall be a direction to the respondent to pay interest at the rate of 4%



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from the date of receipt of the amount till the date of actual payment. This process shall be completed by the respondent within a period of six weeks from the date of receipt of copy of this order.

9. This Writ Petition is disposed of with the above direction. There shall be no order as to costs.

29.07.2025

Index :Yes/No
Neutral Citation :Yes/No
AT

To
The Executive Engineer & Administration,
Tamil Nadu Housing Board,
Besant Nagar Division,
No.48, Dr. Muthulakshmi Salai,
Adyar, Chennai – 600 020.



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N. ANAND VENKATESH, J.

AT

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