IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.10.2025

CORAM:

THE HON'BLE MR.JUSTICE M.DHANDAPANI

W.P.No.33170 of 2025
and
WMP.No.37280 of 2025

1.T.S.Ramesh
2.S.Ponnukannamal ... Petitioners

Vs.

The Tamil Nadu Housing Board
rep. by The Executive Engineer-cum-
Administrative Officer,
K.K.Nagar Division,
C-48, II Avenue,
Anna Nagar, Chennai-600 040. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the order passed by the respondent herein in Letter bearing No.KKND/Allotment-1/371/2021 dated 18.03.2024 and quash the same and direct the respondent Board to execute and register the Sale Deed in respect of Flat No.G (6^{th} Floor) in favour of the petitioner and also a sum of Rs.16,300/- paid towards penal interest demanded for the period prior to allotment.

For Petitioners : Mr.K.S.Viswanathan, Sr. Counsel
for Ms.T.Hemalatha

For Respondent : Mr.R.Viduthalai, Sr. Counsel
for Mr.D.Veerasekaran,
Standing counsel for TNHB

ORDER

The order passed by the respondent herein in Letter bearing No.KKND/Allotment-1/371/2021 dated 18.03.2024 is put under challenge in the present Writ Petition. The petitioners further seek a direction to the respondent Board to execute and register the Sale Deed in respect of Flat No.G (6th Floor) in their favour and also to refund the sum of Rs.16,300/- paid towards penal interest demanded for the period prior to allotment.

2. Heard Mr.K.S.Viswanathan, learned Senior Counsel for the petitioners and Mr.R.Viduthalai, learned Senior Counsel appearing on behalf of the respondent Board. With the consent of both sides, this Writ Petition is taken up for hearing at the admission stage itself.

3. The brief facts of the case is as follows:

3.1. The Tamil Nadu Housing Board (TNHB) has launched a project for construction of High Rise Building consisting of stilt Floor (part) /

Ground Floor (part) + 9 Floors of Residential building with totally 90 dwelling units with availing premium FSI at Plot No.18, Patro Salai, K.K.Nagar, Chennai-600 078. The proposed flat ranged in size from 1108 to 1431 Sq. feet across 9 Floors above a stilt floor with amenities including stilt and car parking. It was proposed to construct 72 numbers of 2 BHK Flats and 18 numbers of 3 BHK Flats. The respondent Board issued a public advertisement inviting applications from 15.02.2021 and 01.03.2021 for the above project on lot / on a First come First serve basis. The allotment of flats commenced in June 2021. While launching the project, the TNHB issued an advertisement stating that the price for the flat was quoted as Rs.7563 per Sq. ft., described as Frozen price at your destined location and no hidden charges will be collected and UDS is 38.5%. Pursuant to which, the petitioners submitted their applications by remitting a sum of Rs.8,80,000/- being 10% of the total cost as initial deposit as application money. Thereafter, the petitioners were allotted Flat No.G (6th Floor) in A.P.Patro Salai Scheme. The plinth area of the flat allotted was to be 1128 Sq. ft and the final cost of the flat was fixed at Rs.85,32,000/- and the petitioners were called upon to remit the balance 90% of the cost as per the Schedule. Even though the petitioners were allotted the flats only on 27.10.2021, a sum of Rs.16,300/- was collected as penal interest from the petitioners along with their initial deposit. B- Certificate dated 20.11.2021 was issued to the Bank for enabling the petitioners to raise home loan which confirms that Rs.76,78,800/- is payable by the petitioners. By communication dated 18.10.2023, the petitioners were informed of maintenance deposit and corpus fund deposit to be paid and directed to pay property tax, water tax etc., from 01.11.2023 onwards, however, there was no demand in regard to payment of GST. All of a sudden, the respondent Board on 18.03.2024 issued a letter to the petitioners demanding payment of 5% of GST on the final cost of the flat by making a reference to Board Resolution No.6.02 dated 17.10.2023 and Board's Revised Memo dated 31.10.2023 by which the Board had resolved to adopt and collect GST as per notification No.11/17 CT (Rates) dated 28.06.2017. on receipt of the same, the petitioners sent their objections to any further demand in the nature of GST and requested for registration of the sale deed. But there was no response from the respondent Board.

4. Aggrieved by the same, the petitioners have come forward with the present Writ Petition.

5. The learned Senior Counsel for the petitioners submitted that the petitioners herein are son and mother aged about 62 and 79 years respectively. He submitted that the issue involved in the present Writ Petition is no longer *res integra* and the same has already been decided by this Court in W.P.No.33993 of 2025 & batch cases etc., dated 02.06.2025 making it clear that any additional charges after full flat cost is impermissible and ordered for refund of additional amount, if any paid. Assailing the same, the respondent Board approached this Court by way of filing an appeal in W.A.No.2565 of 2025 & batch cases etc., wherein the Hon'ble Division Bench has granted an order of interim stay on certain conditions and had directed the respondent Board to execute the sale deeds in favour of the petitioners on condition that the additional demand of 5% GST would be subject to the outcome of the Writ Appeals.

6. The learned Senior Counsel appearing for the respondent Board submitted that the payment of impugned demand is made only as per the demand made by the GST Authorities. He further submitted that meeting was conducted by the respondent board and a circular was issued in terms of **Clause 14 of the Construction cum Sale Agreement [governed by**

Section 14 of the Real Estate (Regulation and Development) Act, 2016]. He further submitted that for any additional amount payable, it may be collected either from the State or Central Government as the Government is liable as per the **clause of Construction cum Sale Agreement** and the demand is no way connected with the buyers. He also submitted that in regard to demand of 5% GST, shall be subject to the outcome of the Writ appeal batch cases as stated supra. He drew the attention of this Court to the conditional interim order of stay granted by the Hon'ble Division Bench. The relevant portions of the order reads as under:

> *"4.In order to balance the convenience of both parties, as an interim arrangement, the following orders are passed:*
>
> *i) that the Tamil Nadu Housing Board shall execute sale deeds for the remaining writ petitioners/respondents if they are otherwise eligible to get the sale deeds registered in their favour without demanding 5% additional GST.*
>
> *ii) it is made clear that, ultimately if the Tamil Nadu Housing Board succeeds in the batch of intra court appeals, whatever the decision to be made by the court, the parties shall abide by that and in that case, if any decision is taken in favour of the Tamil Nadu Housing Board that their demand of additional*

GST to the extent of maximum 5% is to be collected, the allottees, who are going to get the sale deeds executed by virtue of this order shall without any hesitation to make the payment. Only on that condition, the sale deed as directed above shall be executed by the Tamil Nadu Housing Board. Insofar as the direction given in paragraph No.22(ii) for refunding of extra 5% collected from some of the writ petitioners, who have already paid 5% additional GST is concerned, that direction alone is hereby stayed. This order shall confine only to the writ petitioners, whose cases are covered under the impugned order dated 02.06.2025."

7. Considering the facts and circumstances of the case and also taking into account the submissions of the learned Senior Counsel on either side, this Court is inclined to dispose of the Writ Petition with the following terms:

"a)The Tamil Nadu Housing Board shall execute the sale deeds for the petitioners if they are otherwise eligible to get the sale deeds registered in their favour without demanding 5% additional GST.

b)It is made clear that ultimately, if the Tamil

Nadu Housing Board succeeds in the batch of Intra-Court Appeals, whatever the decision to be made by the Court, the parties shall abide by that and in that case, if any decision is taken in favour of the Tamil Nadu Housing Board that their demand of additional GST to the extent of maximum 5% is to be collected, the allottees, who are going to get the sale deeds executed by virtue of this order shall without any hesitation to make the payment. Only on that condition, the sale deed as directed above shall be executed by the Tamil Nadu Housing Board."

8. With the above directions, this Writ Petition stands disposed of. Consequently, connected Miscellaneous Petition is also closed. There shall be no orders as to costs.

9. WMP.No.37278 of 2025 filed by the petitioners to permit them to file a single petition is allowed.

25.10.2025

Index: Yes/No
NCC : Yes/No
Order : Speaking/Non Speaking
DP

To

The Executive Engineer-cum-
Administrative Officer,
The Tamil Nadu Housing Board
K.K.Nagar Division,
C-48, II Avenue,
Anna Nagar, Chennai-600 040.

M.DHANDAPANI.J,

DP

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