IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 09.12.2025

CORAM :

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

W.P.No.45990 of 2025
and
W.M.P.Nos.51285 & 51286 of 2025

1.G.Ramesh
2.S.Uma ... Petitioners

Vs.

The Tamil Nadu Housing Board,
Represented by the Executive Engineer cum Administrative Officer,
Anna Nagar Division,
TNHB Shopping Complex,
Thirumangalam,
Chennai – 600 035. ... Respondent

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus to call for the records of the order passed by the respondent in Letter bearing No.2/894/2021 dated 08.05.2024 and quash the same and any such consequent GST demands and direct the respondent Board to refund the amount of Rs.6,37,300/-, i.e., 5% of the flat cost paid towards GST.

For Petitioners : Ms.A.Vidya

For Respondent : Mr.D.Veerasekaran
Standing Counsel

ORDER

Challenging the order of the respondent Housing Board vide Letter bearing No.2/894/2021, dated 08.05.2024, demanding to pay 5% GST towards the total flat cost and for a direction to refund the GST amount already adjusted from the last installment, the present writ petition has been filed.

2.By consent of both parties, the matter is taken up for final disposal at the admission stage itself.

3.It is the case of the petitioners that the petitioners were allotted a flat in Flat No.479/106 (14th Floor) under the Self Finance Scheme in Shenoy Nagar, Chennai, for the final cost of Rs.1,11,46,000/-. Thereafter, on the request of the petitioners, they were re-allotted with Flat No.479/78 (10th Floor) and the final cost was fixed at Rs.1,27,46,000/-. It is the contention of the petitioners that they have paid 95% of the flat cost by 22.01.2024. However, by the impugned letter dated 08.05.2024, the respondent Board claimed 5% of the final cost of the flat as GST payable by the petitioners. The respondent also directed the petitioners to furnish an undertaking that the 5% of the flat cost (final instalment) can be used towards GST payment and that the petitioners have to pay another 5% of the flat cost as the final instalment by 30.09.2025 and only on completing these payments, the flat would be handed over to the petitioners. The petitioners, left with no other option, paid the final instalment of the flat cost and the GST amount. However, in letter dated 21.04.2025, the petitioners made it clear that the payment towards GST is without prejudice to their right to seek appropriate legal remedy. The respondent has handed over the flat to the petitioners, but is refusing to execute the sale deed. Now, the petitioners have come forward with this writ petition challenging the letter of the respondent Board demanding 5% GST amount and also to refund the GST amount already paid by the petitioners.

4.It is brought to the notice of this Court that appeals in W.A.No.2565 of 2025, etc., batch, have been filed as against the orders of the learned Single Judge of this Court in a similar matter ordering refund of 5% GST amount collected by the respondent Board from the allottees. The Division Bench of this Court, in the said batch of appeals, has passed an interim order on 28.08.2025, as follows :

*"**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 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."

5.Since the refund of GST amount collected by the Board is stayed by the Division Bench of this Court, at this stage, there cannot be any further order. The refund will be made subject to the decision of the Division Bench of this Court. If the Division Bench comes to the conclusion that 5% of additional GST collected by the respondent Housing Board has to be refunded, without any further proceedings, the respondent Board has to refund the same to the petitioner herein also. As far as registration of the sale deed is concerned, as the amount has already been paid including the GST, let the respondent Board execute the sale deed in favour of the petitioner within a period of four weeks from the date of receipt of a copy of this order.

6.With these directions, this writ petition is disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

09.12.2025

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Internet : Yes
Index : Yes / No
Speaking order : Yes / No
Neutral Citation : Yes

To

The Executive Engineer cum Administrative Officer,
Tamil Nadu Housing Board,
Anna Nagar Division,
TNHB Shopping Complex,
Thirumangalam,
Chennai – 600 035.

N. SATHISH KUMAR, J.

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