



WP(MD). No.5761 of 2019

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated : 10.01.2025

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THE HONOURABLE MR. JUSTICE B.PUGALENDHI

WP(MD)No.5761 of 2019

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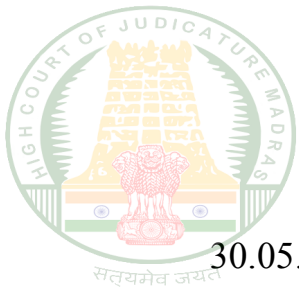
... Petitioner

versus

1. The State,
Rep. by the Principal Secretary and Commissioner
of Revenue and Land Administration,
Chepauk,
Chennai-600 005.
2. The District Collector,
Sivagangai District Collectorate,
Sivagangai – 630 561.
3. The Personal Assistant to Collector (Accounts)
Sivagangai District Collectorate,
Sivagangai - 630 561.
4. District Backward and Monority Welfare Officer,
District Most Backward and Minority Welfare Office,
Sivagangai 630 561.

... Respondents

Writ Petition filed under Article 226 of the Constitution of India,
seeking for the issuance of a Writ of Certiorarified Mandamus, to call for
the records with regard to the proceedings in Na.Ka.L1./5244/2016 dated



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30.05.2018 and quash the same and direct the 2nd Respondent to give correct interest calculation memo and accept the correct interest rupees for the Loan Advance received by the Petitioner for construction of house building in the capacity of government servant and release the original Deeds within the stipulated time limit.

For Petitioner : Mr.M.Vivekanandan

For R1 and R2 : Mr.K.Balasubramani,
Special Government Pleader

ORDER

The petitioner is a retired employee of the Revenue Department, Sivagangai. He retired as a Deputy Tahsildar. While he was in service, he availed Housing Building Advance loan of Rs.1,80,000/- for construction of a house in plot in R.S.No.160/7A3 at Pulikanmoi Village, Sivagangai Taluk, Sivagangai District. The petitioner claims that he has paid the entire housing loan amount of Rs.1,80,000/- and he was also allowed to retire from service on attaining superannuation on 31.03.2016. While so, a show cause notice was issued to the petitioner on 30.05.2018 calling upon him to pay interest amount for the housing loan advanced by the Government together with penal interest. This showcase notice dated 30.05.2018 is challenged in this writ petition.



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2. The learned counsel appearing for the petitioner claims that the entire loan amount was paid by the petitioner. In the event, if the interest amount has not been paid, the petitioner is also prepared to pay the interest amount. However, the petitioner is having a grievance for demanding the penal interest for the housing loan advanced by the Government.

3. The learned Special Government Pleader submits that the proceedings impugned in this writ petition is only a showcase notice and the respondents have not passed any order imposing any penalty and therefore, there is no reason to interfere with the impugned proceedings at this stage. The learned Special Government Pleader further submits that at the time of availing the housing loan, the petitioner gave an undertaking to pay the interest as prescribed by the Government Rules and accepted to pay the interest even from his death-cum-retirement gratuity amount. Therefore, the petitioner is liable to pay interest for the housing loan availed by him.



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4. This Court considered the rival submissions made and also perused the materials placed on record.

5. The petitioner has availed the housing loan in the year 2000. He claims that he settled the entire loan amount of Rs.1,80,000/-. However, he is liable to pay interest for the loan advanced by the Government. The petitioner was allowed to retire from service on attaining superannuation on 31.03.2016. The respondents, without deducting the eligible interest amount at the time of retirement, has issued the impugned show cause notice calling upon the petitioner to pay the penal interest for the housing loan amount. The mistake is on the part of the respondent Department. At least, at the time of retirement, the concerned Officer should have pointed out the liability of the petitioner for paying the interest towards the housing loan availed by him in the year 2000. There is a lapse on the part of the respondent Department. Therefore, the respondents are not justified in demanding the penal interest from the petitioner. At the same time, the petitioner is liable to pay the actual/eligible interest for the loan availed by him in the year 2000. Further, the petitioner has also agreed to pay the actual interest for



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the loan availed by him.

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6. Considering the rival submissions made, this writ petition is disposed with a direction to the petitioner to pay the actual/eligible interest for the loan amount availed by him within a period of six weeks from the date of receipt of copy of this order. The respondents shall not insist the petitioner for penal interest towards the housing loan amount.

No costs.

10.01.2025

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NCC : Yes / No.

Index : Yes / No.

Internet: Yes / No.

To

1. The Principal Secretary and Commissioner
of Revenue and Land Administration,
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2. The District Collector,
Sivagangai District Collectorate,
Sivagangai – 630 561.

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3. The Personal Assistant to Collector (Accounts)
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