



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24-02-2026

CORAM

THE HON'BLE MR.JUSTICE V. LAKSHMINARAYANAN

**WP No. 5301 of 2026
and WMP Nos. 5814 & 5815 of 2026**

V.Harikumar Babu

..Petitioner(s)

Vs

1. State of Tamilnadu
Rep. by Chief Secretary,
St. Fort George, Chennai-600 009.
2. The Member Secretary
Chennai Metropolitan Developmental
Authority, Thalamuthu Natarajar Maligai,
No.1, Gandhi Irwin Road,
Egmore, Chennai-600 008.
3. The Superintending Engineer
Chennai Metropolitan Developmental Authority
Tower-III Building,
“E” Road Opposite to Fruit Market,
Koyambedu, Chennai-600 107.
4. The Thasildhar
Ponneri, Tiruvallur district.
5. The State Express Transport Corporation
Thiruvalluvar House,
Pallavan Salai, Chennai-600 002.
6. Metropolitan Transport corporation
Pallavan House, Anna Salai,
Chennai.



7. Andrapradesh State Roadways Transport Corporation, RTC House,
Near Pandit Nehru Bus Station,
Vijayawada-5200 013, Andhra Pradesh.

..Respondent(s)

Prayer: This petition has been filed under Article 226 of the Constitution of India, calling for the records pertaining to the allotment order of the Shop No.A4, issued by the 2nd respondent bearing No.SE/CW/A3/1243 dated 16.09.2019 located inside the Madhavaram Mofussil Bus Terminus(MMBT) Madhavaram of the 2nd and 3rd respondents and quash the demand notice dated 10.04.2023 in related to the arrears of rent bearing letter No.A3/ Dis.II/ CW/ 1243/ 2021 and consequent Revenue Recovery notice dated 19.2.2025 bearing Na.Ka. No.485/2025 issued by the 2nd and 4th respondents respectfully with the direction to the 2nd and 3rd respondents to freshly reckon the due of monthly rent based upon the operation of number of buses and the consequent footfall of passengers in the Madhavaram Mofussil Bus Terminus, (MMBT) Madhavaram, Chennai considering the various representations of the petitioner by rendering the proper accounts of the payments made by the petitioner

For Petitioner(s):	M/s.S.Makesh
For Respondent(s):	Mr.L.S.M.Hasan Fizal, AGP R1,R4,R5 & R6 Mr.B.Sanjay Balachandar, R2 & R3

ORDER

The petitioner was allotted a shop at the Madhavaram Mofussil Bus Terminus (MMBT). The allotment was made by the respondents 2 and 3. The petitioner had taken the shop bearing No. A4 for vending snacks and refreshment for passengers, who would be using the bus stand.



2. The petitioner claims that at the time of allotment, the respondents 2 and 3 held out that of the 200 bus bays available in the Madhavaram Mofussil Bus Terminus, the State Transport Corporation of Andhra Pradesh and Tamil Nadu, the respondents 5 to 7, will operate not less than 170 buses. The petitioner, expecting high footfall of passengers, and thereby in the lookout for potential customers for shop, took the shop for a monthly rent at Rs.367/- per square feet. He states that whereas, the market rent for the properties functioning in the adjoining areas outside the Madhavaram Mofussil Bus Terminus is only Rs.60/-. The petitioner claims that the respondents 5 to 7 are not operating as many number of buses as assured by them, and a maximum of 40 buses alone are plying in the area.

3. The petitioner states that without taking into consideration the aforesaid circumstance of non-operation of buses by respondents 5 to 7, respondents 2 to 4 have been demanding arrears of rent at the same rate, as per the original allotment order, which the petitioner claims to be exorbitant and disproportionate. The petitioner states that on 10.04.2023, the respondent No.3 had affixed a notice, calling upon him to remit 50% of the rental arrears within seven days from the receipt of the letter, or in default, the allotment order would be cancelled.



4. As the arrears were not paid, the respondents proceeded to initiate action under the Revenue Recovery Act, 1890, for recovery of Rs.10,96,496/-.

Challenging the proceedings dated 10.04.2023 and 19.10.2025, the petitioner is before this Court.

5. Heard Mr.S.Makesh, learned counsel for the petitioner, Mr.L.S.M.Hasan Fizal, learned Additional Government Pleader for respondents 1 and 4 to 6, and Mr.B.Sanjay Balachandar, learned counsel for the respondents 2 and 3.

6. Though a reading of the prayer would also show that the petitioner seeks to call for the records of allotment dated 16.09.2019, the learned counsel for the petitioner states that the quashing is only confined to the demand notice, and not to the order of allotment.

7. After narrating the facts, Mr.S.Makesh represents that the impugned proceedings dated 10.04.2023 and 19.10.2025 deserves to be set aside on the following grounds:

- (1) The petitioner, at the time of issuance of allotment order, was orally promised of heavy footfall of passengers in the Madhavaram Mofussil Bus Terminus. However, as there has been no reflection of such representation on the ground, the petitioner



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claims entitlement to a reduction in rentals. He relies upon the representation made by the Tamil Nadu Government Shop Owners' Welfare Association, as well as his own representation, to urge that an oral promise of reduction was made and this oral promise has been breached;

- (2) The petitioner claims that he has a legitimate expectation that once the number of passengers is reduced, the rent should also be reduced accordingly;
- (3) On the expansion of the first point, he pleads that the action of the respondents in demanding the rental arrears is hit by the principles of promissory estoppel;
- (4) Finally, inviting my attention to the proceedings dated 10.04.2023, he states that the respondents have themselves called upon the petitioner to pay only 50% of the arrears, which implies that they have admitted to the petitioner's demands in the representation being reasonable, and therefore, the proceedings deserve to be quashed.

8. I have carefully considered the submissions of both sides and I have gone through the records.



9. The relationship between the writ petitioner and the respondents 2 and 3 is that of a lessor and lessee. The allotment order has not been placed before the Court. What has been placed before the Court is the handing over letter of the CMDA for allotment of a shop at Madhavaram Mofussil Bus Terminus on rental basis w.e.f. 16.11.2019. The shop was handed over on 08.02.2020. In none of these proceedings, has it been shown that the rent for the shop bearing Door No.A4, on the ground floor in the Madhavaram Mofussil Bus Terminus building is linked to the number of passengers arrived at the bus terminus or that it is in the nature of profit sharing between the CMDA and the writ petitioner. It is a pure and simple lease agreement, whereunder the petitioner had agreed to take the shop at the rate of Rs.367/- per sq. ft.

10. I shall deal with each of the pleas individually.

11. The plea of legitimate expectation of the petitioner cannot stand even a moment's scrutiny. Legitimate expectation arises where there is a holding out by the State or any other authority, creating an expectation in favour of the petitioner, which on violation thereof, gives rise to a right.

12. I have already pointed out that the facts do not reveal that the lease amount was fixed on the basis of footfall of the passengers; neither is there any reference to the respondents 5 to 7 operating a sufficient number of buses to and



from the Madhavaram Mofussil Bus Terminus. It is the role of a Transport Corporation to ferry passengers from one place to another and not to operate buses in order to facilitate shop owners in the terminus to sell their wares. In any event, legitimate expectation is at best, a weak right. If at all the petitioner expected a booming business and it did not occur, he has nobody else to blame but himself for making such a miscalculation. He cannot place the burden of such miscalculation at the doorstep of the lessor /CMDA.

13. Insofar as the plea that there was an oral promise made by the respondents 2 and 3 regarding the passenger footfall is concerned, this aspect need not detain us for long. This is essentially a contractual agreement. In case there are any variations, the same has to be effected in writing. Even if an oral promise is made by the officials of the CMDA, the later authority, which being a Corporation with perpetual succession and a common seal, cannot be held responsible for the representation made by its subordinates/employees. No records have been produced before the Court to show that the Board of Directors of CMDA had given assurance regarding the number of passengers using the Madhavaram Mofussil Bus Terminus, or for the fact that the rate of Rs.367/- per sq.ft. directly co-relates to the number of persons using the Madhavaram Mofussil Bus Terminus.



14. The plea on promissory estoppel is also untenable. The basic premise of promissory estoppel is the existence of a promise. Acting upon such promise, another should have altered the situation/circumstances in which the person was placed. Thereafter, there should have been a breach thereof. Then, promissory estoppel operates. When there is no promise as stated above, the question of applying the principles of promissory estoppel does not arise.

15. The last point, viz., the notice that had been issued at page No.100 of the typed set of papers dated 09.01.2023 merely indicates that the CMDA had called upon the petitioner to clear 50% of their arrears within seven days from the date of receipt of the notice. This is an opportunity granted to the petitioner to pay the dues, so as to enable him to not to be labelled as a defaulter, and to save his allotment.

16. Nowhere have the respondents stated that their demand for 50% of the arrears is linked to the alleged fall in footfall of passengers. On the contrary, the papers revealed that the CMDA had helped persons, who are having the shops inside the Madhavaram Mofussil Bus Terminus at Madhavaram, by reducing the rental amount during the Covid-19 lockdown.



17. As all the points raised by the learned counsel for the petitioner fail, I am not inclined to admit the writ petition and the same is dismissed. No costs. Consequently, connected miscellaneous petitions are closed.

24-02-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
Maya

To

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V.LAKSHMINARAYANAN, J.

Maya

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