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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 12.02.2026

CORAM:

**THE HONOURABLE DR.JUSTICE G.JAYACHANDRAN
AND
THE HON'BLE MR JUSTICE K.K.RAMAKRISHNAN**

**W.A(MD)No.153 of 2026
and
C.M.P(MD)No.1559 of 2026**

- 1.The Manager,
Tamil Nadu Housing Board,
CMDA Complex, E&C Market Road,
Koyambedu,
Chennai.
- 2.The Executive Engineer and
Administrative Officer,
Thiruchirppalli Housing Unit,
Kajamalai Road, Thiruchirappalli ... Appellants/Respondents

.Vs.

**N.Chithrakala
Petitioner**

... Respondent/Writ

PRAYER: Writ Appeal filed under Clause 15 of the Letters Patent Act praying this Court to set aside the order of this Court made in



W.P(MD)No.4071 of 2022, dated 05.02.2025.

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For Appellants : Mr.A.Kannan

For Respondent : No appearance

JUDGMENT

(Order of the Court was made by **DR.G.JAYACHANDRAN.,J**)

The Writ Appeal has been filed by the Tamil Nadu Housing Board aggrieved by the order made in W.P(MD)No.4071 of 2022, dated 5.2.2025, wherein, the learned Single Judge has directed the Housing Board to collect a sum of Rs.83,561/-from the Writ Petitioner and to execute the sale deed.

2.There is no representation on behalf of the sole respondent.

3.The facts of the case as found from the records is that the Housing Board which is the appellants herein has allotted a house site to one Jayakumar vide allotment order, dated 21.09.1986 on condition that the cost fixed is only tentative cost and sale deed will be executed after ascertaining the final cost. A Lease-cum-sale agreement was executed and directed Jayakumar



to accept the lease cum sale agreement. The said Jayakumar had obtained A & B Certificate from the Housing Board for availing loan from BHEL. He has availed loan from Vijaya Bank and mortgaged the property. It is so happened and the said Jayakumar had defaulted in paying the loan amount which has lead to auction of the property under SARFAESI Act by the above said Bank.

4.The first respondent herein, who is the Writ Petitioner was the successful bidder in the auction. She has paid Rs.10,55,000/- towards bid amount and she has sought for execution of the sale deed in her favour by the Housing Board. The Housing Board based on record had refused to execute the sale deed contending that the terms of allotment in favour of Jayakumar is to avail loan from BHEL and intimate the same to the Housing Board .He has to avail loan from BHEL Employees Housing Board but had availed loan from Vijaya Bank behind the back of the Housing Board. The Housing Board was kept at dark till the request of the respondent was made for executing sale deed in her favour. The Housing Board cannot execute the sale deed directly in favour of the respondent since she is not the allottee and No Due Certificate from the BHEL was not produced.



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5.The learned Single Judge, after appreciating the facts, had rightly directed the Housing Board to convey the title after receiving Rs.83,561/- from the respondent. The said order is backed by sound reasoning and logic. No doubt, a sum of Rs. 83,561/- is due and payable from the allottee to the Housing Board though the said Jayakuar had not complied with the terms of the Housing Board and is communicating that he will avail loan from BHEL Housing Society and intimate the same to the Housing Board. But the Housing Board from the date of giving allotment order in the year 1986, had been keeping quiet without any murmur. In fact, the Administrative Officer of the Housing Board, Thiruchirappalli Unit vide his letter, dated 21.01.1998 had issued proceedings stating that the said Jayakumar had paid the tentative cost of Rs.79,000/- While so, the interest of the Housing Board is confined to collect the balance cost of the land which has been fixed subsequently and the final cost being Rs.83,561/-, they must be satisfied by collecting the said amount and executing the sale deed to the auction purchaser. Since the auction purchaser who is the respondent herein has the right to get the sale deed executed in her favour and they have to process the auction under the SARFAESI Act. If the argument of the learned counsel for Housing Board is accepted, the beneficiary will be the Jayakumar who is the defaulter and violator.. The victim will be the



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respondent. The Bank which has extended the loan and paid Rs. 79,000/- to the Housing Board has satisfied the debt amount to get the property in auction. If the Housing Board authorities failed to react immediately in respect of the alleged violation of the allotment order to Jayakumar, the entire fault falls on the Officer who was in charge at the relevant point of time. For issuance of A&B Certificate, issued proceedings on 11.2.1998 and that the cost of Rs.79,000/- been received by the Housing board. Though the auction was in the year 2022, after property been purchased under the SARFAESI Proceedings, the appellants refused to execute the sale deed to the auction purchaser. Such denial is deprivation of the legal right of the respondent.

6.Hence the Writ Appeal is dismissed, with cost of Rs. 5,000/-(Rupees five thousand only) to be paid to the Legal Services Committee attached to this Bench within fifteen days from today. Consequently, connected Miscellaneous Petition is closed.

[G.J.,J.] [K.K.R.K.,J.]
12.02.2026

NCS : Yes/No
Index : Yes / No
Internet : Yes / No



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DR.G.JAYACHANDRAN, J.
and
K.K.RAMAKRISHNAN, J.

vsn

ORDER MADE IN
W.A(MD)No.153 of 2026



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and
C.M.P(MD)No.1559 of 2026

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