



W.P.No.35108 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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Dated: 04.12.2025

C O R A M

THE HONOURABLE MR.JUSTICE N. SATHISH KUMAR

W.P.No.35108 of 2023

Mr.K.Navarathna Ganesh

..Petitioner

Vs.

1. The Chairman

Tamil Nadu Housing Board
Koyambedu, Chennai – 600 107

2. The Managing Director

Tamil Nadu Housing Board
Koyambedu, Chennai – 600 107

3. The Executive Officer and Administrative Officer

Besant Nagar Division
Tamil Nadu Housing Board
No.48, Dr.Muthulakshmi Salai, Adyar
Chennai – 600 020

... Respondents

Writ Petition filed under Article 226 of Constitution of India for issuance of writ of mandamus directing the second respondent to consider the petitioner's representation dated 22.08.2023 and refund the said sum of Rs.31,87,500/- i.e., 25% of the bid amount paid for the Shop site No.R-52A, Thiruvanmiyur Scheme together with interest within a time frame to be fixed by this Court.



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For Petitioner ... Mr.S.Jaganathan
For Respondents ... Mr.D.Veerasekaran
Standing counsel

ORDER

This writ petition has been filed seeking a direction to the second respondent to refund the 25% of the bid amount paid by him together with interest.

2. The petitioner was a successful bidder in the auction held on 19.11.2020 in respect of Shop Site No.R-52A, Thiruvanmiyur Scheme for a total price of Rs.1,27,50,000/- and has paid a sum of Rs.31,87,500/- (cost of the application +15% of the bid amount) and requested for further time to pay the remaining amount. As the amount has not been paid in time, the third respondent cancelled the allotment and the petitioner sent a letter dated 16.04.2021 requesting to revoke the cancellation of the allotment and undertook to pay the remaining amount with interest and the petitioner received a reply from the third respondent stating that his request has been forwarded to Respondents 1 and 2. The petitioner sent another letter dated 03.10.2022 to third respondent to measure and fix boundary stones for the



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said shop site by demolishing the compound wall constructed by Marutham

Flat Owner Association within 30 days failing which he sought refund of the amount paid by him together with interest, but no action was taken by the third respondent on said representation and hence, the petitioner preferred another complaint to the Chief Minister's Helpline Portal on 04.03.2023 and received a reply from the second respondent stating that action will be taken against the concerned officials. Again, the petitioner sent another representation dated 22.08.2023 to the second respondent seeking refund of the amount paid by him, but till date no action has been taken on the said representation also. Hence, this writ petition.

3. The third respondent has filed a counter affidavit.

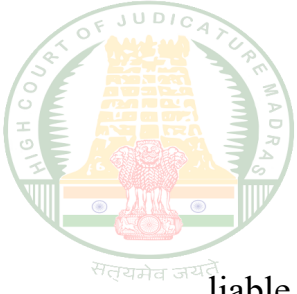
4. Mr.D.Veerasekaran, learned Standing counsel for the respondents 1 to 3 submitted that as per the terms and conditions of the sale, more particularly SI.Nos.16 and 17, the petitioner is not entitled to get interest and eligible only for refund of the amount he paid. Learned Standing counsel submitted that already a sum of Rs.31,87,500/- was refunded by way of a Cheque bearing No.811618 on 28.03.2022.



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5. The learned counsel for the petitioner submitted that since the mistake is on the part of the respondents, the petitioner is entitled for interest.

6. In reply, the learned Standing counsel submitted that the entire action is governed by the contract and the terms of the contract agreed between the parties clearly show that the petitioner is not entitled for interest. In this regard, he brought to the notice of this Court judgment of a Division Bench of this Court in W.A.No.2969 of 2023 dated 31.10.2023 wherein this Court has held that when the parties are governed by the terms of the contract, the interest is not permissible. The petitioner has also not paid the amount agreed in the contract and sought extension of time, despite extension time granted, the amount has not been paid and sought for demolition of the compound wall only in the year 2022, which is also rejected by the respondents and thereafter, the petitioner sought for refund of the amount paid by him. When the parties are governed by the contract and the contract stipulates interest is not payable, the petitioner is not entitled to get interest and in the event contract does not fructify, the terms will prevail over.



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Therefore, I do not find any merits in the writ petition and the same is

liable to be dismissed. Accordingly, this writ petition is dismissed. There shall be no order as to costs.

04.12.2025

Index: Yes/No

Internet: Yes/No

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N. SATHISH KUMAR, J

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