



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01-06-2026

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THE HON'BLE MR JUSTICE M.DHANDAPANI

WP Nos. 3676 & 3677 of 2018

and

WMP Nos.4500, 4501, 14885 &14886 of 2018

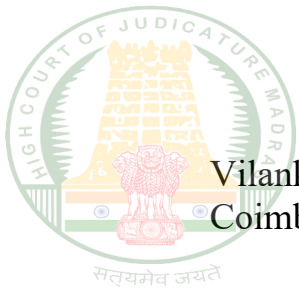
Sreevatsa Gardens House and
Apartment Owners' Association,
Rep by its Secretary, Mrs.R.Chitra,
Office at Sreevatsa Gardens,
No.7/31A, Mettupalayam Road,
Thudiyalur Post, Coimbatore

..Petitioner

in both writ petitions

Vs

1. The Tamil Nadu Water Supply
and Drainage Board (TWAD Board),
Rep by its Managing Director,
Chepauk, Chennai-600 005
2. The Principal Secretary to the Government,
Municipal Administration and Water Supply
Department,
Chairman of TWAD Board,
Chennai-600 009
3. The Executive Engineer,
The Tamil Nadu Water Supply and Drainage
Board (TWAD Board),
Maintenance Division (Pillur),



Vilankurichi Road,
Coimbatore 641 004

WP Nos. 3676 & 3677 of 2



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..Respondents

in both writ petitions

PRAYER in W.P No.3676 of 2018:Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorarified Mandamus, to call for the records of the 3rd respondent in his order bearing Lr. No. F. Water Charge Tariff / JDO.2/ 2017 dated 13.11.2017 and quash the same and to direct the respondents to levy water charge to the petitioner's residential gated community at the rate of Rs. 4.50/- per KL on par with water charges levied by Coimbatore Corporation for the water connections in the adjacent residential areas.

PRAYER in W.P No.3677 of 2018:Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorari, to call for the records of the 3rd respondent in his order bearing Lr.W.S. to Pvt./Caution Deposit/JDO.1/2017 dated 10.01.2018 and to quash the same.

In both writ petitions

For Petitioner: M/s.M.Palaniyappan

For Respondents: M/s.S.Silambanan, Senior Counsel
for M/s.M.Pradeep Shankar,
Standing Counsel for R1 & R3
Mr.M.Sivavarthanan for R2
Government Counsel

**COMMON ORDER**

WEB COPY W.P No.3676 of 2018 was filed, challenging the order dated 13.11.2017

passed by the third and seeking to quash the same and consequently to direct the respondents to levy water charges for the petitioner's residential gated community at the rate of Rs. 4.50/- per KL on par with water charges levied by Coimbatore Corporation for the water connections in the adjacent residential areas.

W.P No.3677 of 2018 was filed challenging the order of the third respondent bearing Lr. No.W.S. to Pvt./Caution Deposit/JDO.1/2017 dated 10.01.2018 and seeking to quash the same.

2.The case of the petitioner is that the petitioner Association was formed by the owners of the residential units in Sreevatsa Gardens and Apartments at 7/31A, Mettupalayam Road, Thudialur, Coimbatore-641 004. The gated community comprises 317 dwelling units, housing about 1500 residents. The Association is responsible for managing and maintaining the common amenities and other allied facilities of the residential complex. The respondent Board has provided a direct water connection to the petitioner Association for its use. The water supplied by the respondent Board is stored in a common sump and thereafter, distributed to the individual residential units within the gated

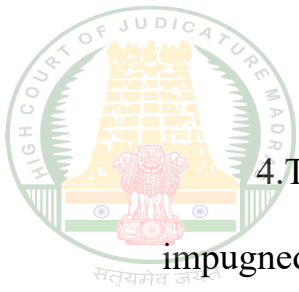


community. Initially, the water charges levied on the petitioner were Rs.30/- per kilolitre (KL). Subsequently, in 2007, the respondent Board erroneously classified the petitioner as an industrial consumer and enhanced the water tariff from Rs.30/KL to Rs.60/KL. However, upon being satisfied that the water supplied was being used solely for domestic purposes, the respondent Board withdrew the enhancement and restored the earlier tariff. Thereafter, in 2017, the 3rd respondent issued proceedings dated 13.11.2017, based on the resolution of the 1st respondent Board in B.P.Ms.No.88 dated 08.11.2017, whereby the water tariff applicable to the petitioner was enhanced to Rs.150/- per KL by one again erroneously categorising the petitioner as an industrial consumer. The petitioner was neither provided with prior notice nor afforded an opportunity to raise its objections before the impugned enhancement of water charges. The petitioner uses the water supplied by the respondent Board exclusively for domestic purposes and not for any industrial activity. Therefore, the five-fold increase in the water tariff is arbitrary, unreasonable, and liable to be set aside. It is further submitted that the residential units adjacent to the petitioner's gated community are being charged water tariff at their rate of Rs.4.50/- per kilolitre. Hence, the impugned classification of the petitioner as an industrial consumer, resulting in the levy of water charges at the rate of Rs.150/- per kilolitre, is discriminatory and devoid of any reasonable basis. Pursuant to the enhancement of the water tariff, the 3rd respondent, by letter dated 10.01.2018 demanded payment towards additional caution deposit and advance water charges



amounting to approximately Rs.81 lakhs. The said demand is also arbitrary and unreasonable, being founded upon the erroneous classification of the petitioner as an industrial consumer. Aggrieved by the aforesaid proceedings and demands, the present writ petitions have been filed seeking appropriate reliefs from this Court.

3.The learned counsel appearing for the petitioner submitted that the petitioners are the owners of the apartments in a residential gated community. The project was developed by a private developer and consists of 317 residential units, along with a separate commercial establishment intended to cater to the needs of the residents. The developer obtained bulk water supply from the TWAD Board, in the year 1999, for which Board charged Rs.25/- per kilo litre. The tariff was subsequently, increased to Rs.30/- per kilolitre in 2004 and to Rs.60/- per kilolitre in 2007. However, in 2017, the petitioners' residential unit was reclassified as industrial unit, and water charges were increased to Rs.150/- per kilolitre. Aggrieved by such reclassification and enhancement of charges, the petitioner Association has filed the present writ petitions.



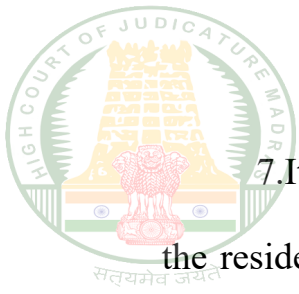
4. The learned counsel for the petitioner submitted that the present impugned demand has been raised solely based on Board Proceedings in B.P No.88 dated 08.11.2017. According to the said Board proceedings, the tariff of Rs.150/- per kilolitre is applicable only to industrial, commercial, and organisational consumers. The petitioner Association is neither an industrial nor a commercial establishment. It was further submitted that, although a small commercial unit was developed as part of the residential project, neither the developer nor the TWAD Board has, till date, demarcated or determined its extent of the commercial portion vis-a-vis the residential portion of the project. In the absence of such determination, the levy of water charges at the rate of Rs.150/- per kilolitre for the entire premises is wholly arbitrary and unsustainable. The learned counsel further contended that the petitioner has been paying water charges at the rate of Rs.60/- per kilolitre and that the respondents cannot compel the petitioner to pay water charges at the rate of Rs.150/- per kilolitre by erroneously classifying the residential gated community as an industrial/commercial unit. On the above grounds, the learned counsel prayed for appropriate relief from this Court.

5. Per contra, the learned Senior Counsel appearing for the respondents submitted that the petitioner, namely, Sreevatsa Gardens and Apartments Owners' Association, admittedly consists of 317 separate residential units along



with a commercial mall comprising several commercial establishments. It was contended that, as per the applicable tariff, water charges at the rate of Rs.150/- per kilolitre are leviable in respect of commercial establishments. The learned counsel further submitted that no separate categorisation or demarcation has been made between the residential and commercial portions of the petitioner's premises and that a single bulk water connection has been provided to cater to both the residential units and the commercial complex. Therefore, the respondents were justified in passing the impugned orders levying water charges at the applicable rate. It was also submitted that, if the petitioner seeks a separate water connection exclusively for the residential units, the TWAD Board cannot provide individual service connections to such units. In that event, the petitioner would have to approach the Corporation for regular water service connections. However, so long as the petitioner continues to avail bulk water supply from the TWAD Board, it is liable to pay water charges in accordance with the tariff prescribed under the relevant Board Proceedings. Accordingly, he prayed for dismissal of the present writ petitions.

6. Heard the learned counsel appearing on either side and perused the materials available on record.



7. It is an undisputed fact that both the commercial establishment and the residential units were developed by the developer in the year 1999. At the relevant point of time, the developer made an application to the TWAD Board seeking bulk water supply from the TWAD Board and the TWAD Board provided bulk water supply for the project, and the TWAD Board provided such bulk water supply in the year 1999 at the rate of Rs.25/- per kilolitre. This Court has also perused the Memorandum of Agreement dated 22.05.2003 entered into between Sreevatsa Real Estates and the TWAD Board on 22.05.2003. Under the said agreement, bulk water supply was provided at the rate of Rs.25/- per kilolitre. Subsequently, by proceedings dated 17.12.2004, the water tariff was enhanced to Rs.30/- per kilolitre, thereafter Rs.60/- per kilolitre and the said enhancement was communicated to the private beneficiaries as per the approved list. Thereafter, the impugned proceedings dated 13.11.2017 were issued, whereby the water tariff applicable to the petitioner was enhanced to Rs.150/- per kilolitre on the ground that the petitioner falls under the industrial/commercial category. The said enhancement was effected pursuant to the Board Proceedings No.88 dated 08.11.2017. In order to appreciate the controversy involved in the present case, it is necessary to extract the relevant portion of the Board Proceedings No.88 dated 08.11.2017, which reads as follows:



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In the B.P.M.s.No.47 dated 16.05.2012, the Board has approved the upward revision of water tariff in order to reduce the gap between Income & Expenditure of O & M in TWAD Board for all the beneficiaries of CWSS maintained by TWAD Board as follows and the same has been sent to Government for approval in MD's D.O.Lr.No.F.31810/AE/)&M/2012 dated 11.06.2012.

Sl. No.	Description	Existing tariff Rs./KL	Proposed revised tariff Rs/KL
1	Rural Local Body	3.00	7.00
2	Urban Local Body	4.50	11.00
I	Organizations who have paid proportionate cost	15.00	45.00
II	Organizations who have not paid proportionate cost of scheme		
a)	Industrial/Commercial Organizations	60.00	150.00
b)	Private Educational Institutions	30.00	125.00
c)	Private Hospitals	50.00	125.00
d)	Government Industries and Organizations	30.00	80.00
e)	Government Hospitals, Government Educational Institutions, Places of worship	30.00	30.00



f) Orphanage	10.00	30.00
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8. It is also necessary to extract the relevant portion of the Board

Proceedings No.218 dated 25.09.2023.

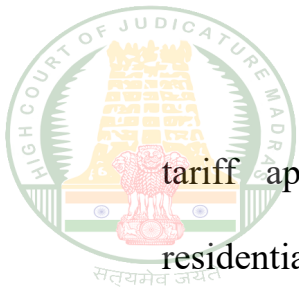
The Board in its resolution No.4.17, dated 14.09.2023, after detailed deliberations, RESOLVED to accord approval for the proposal for revision of existing water tariff for the Private/Institutions/Organizations/beneficiaries other than rural & urban local bodies benefitting through the CWSS/WSS maintained by TWAD Board with effect from October 2023 as follows:

Sl.No.	Category	Present Water tariff in Rs.per KL	Revised tariff in Rs. Per KL
A.	<i>Beneficiaries who have paid the proportionate cost.</i>		
1.	Beneficiaries who have paid the proportionate cost	45	60
B.	<i>Beneficiaries who have not paid the proportionate cost</i>		
1.	Government Education Institution/Hospital, Place of worship	30	35
2.	Orphanage	30	30
3.a.	Tamil Nadu Urban Habitat	80	35



	Development Board (TNUHDB) tenements		
3.b.	Tamil Nadu Housing Board quarters, PWD quarters, Police housing quarters, Railway quarters, Court buildings, Government Quarters, etc.,	80	60
4.	Nagars, TTPS/TANGEDCO residential quarters	20	40
5.	Private quarters, Gates community, Apartments	150	150
6.	Government Organization/Industry	80	90
7.	Private Hospitals	125	150
8.	Private Educational Institution/Organization, Trust, Charity	125	150
9.	Private Industry	150	150
10.	Kalyana Mandapam	150	150

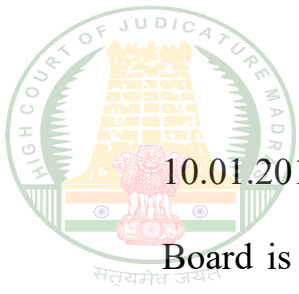
9. Upon perusal of the Board proceedings dated 08.11.2017, it is evident that under Clause II (a), the water tariff applicable to the Industrial and Commercial Organisations was revised from Rs.60/- per kilolitre to Rs.150/- per kilolitre. However, the said Board proceedings do not specifically clarify the



tariff applicable to gated residential communities comprising both the residential and commercial units. Subsequently, the respondent Board issued

Board Proceedings Ms.No.218 dated 25.09.2023, wherein it was specifically provided that gated communities would be liable to pay water charges at the rate of Rs.150/- per kilolitre. Therefore, in the absence of any specific provision in Board Proceedings No.88 dated 08.11.2017 covering gated communities, the levy of water charges at the rate of Rs.150/- per kilolitre upon the petitioner for the period from 08.11.2017 to 25.09.2023 cannot be sustained. Accordingly, this Court is of the view that Board proceedings in B.P No.88 dated 08.11.2017 is not applicable to the petitioner insofar as the levy of water charges at the rate of Rs.150/- per kilolitre is concerned. The petitioner shall therefore be liable to pay water charges at the rate of Rs.60/- per kilolitre for the period from 08.11.2017 to 25.09.2023. However, with effect from 25.09.2023, upon the issuance of Board Proceedings Ms.No.218 dated 25.09.2023, the petitioner shall be liable to pay water charges at the rate of Rs.150/- per kilolitre. The said tariff shall apply to the bulk water supply provided to the gated community, including the commercial establishments situated within the premises.

10. In view of the above observations, W.P No.3676 of 2018 is allowed, and the impugned order passed by the third respondent dated 13.11.2017 is set aside. W.P No.3677 of 2018 is partly allowed, and the impugned order dated



10.01.2018 is set aside to the limited extent indicated above. The respondent Board is directed to determine and notify the fresh caution deposit amount in terms of B.P Ms.No.218 dated 25.09.2023. The petitioner is further directed to pay the differential amount of Rs.90/- per kilolitre from 25.09.2023 till date and shall continue to pay water charges at the rate of Rs.150/- per kilolitre to the respondent Board thereafter. Consequently, connected miscellaneous petitions are closed. No costs.

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Index: Yes/No

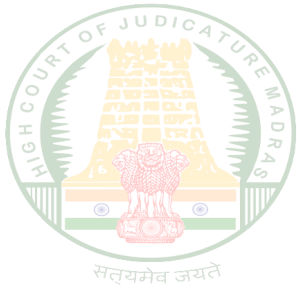
Speaking/Non-speaking order

Neutral Citation: Yes/No

Uma

To

1. The Managing Director,
The Tamil Nadu Water Supply
and Drainage Board (TWAD Board),
Chepauk, Chennai 5
2. The Principal Secretary to the
Government,
Municipal Administration and Water Supply
Department, Chairman of TWAD Board,
Chennai 9
3. The Executive Engineer,
The Tamil Nadu Water Supply and Drainage
Board (TWAD Board), Maintenance Division
(Pillur), Vilankurichi Road,
Coimbatore 641 004



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WP Nos. 3676 & 3677 of 2



M.DHANDAPANI, J.

Uma

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WMP Nos.4500, 4501, 14885
&14886 of 2018**

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