BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 19.09.2017

CORAM :

THE HONOURABLE MR.JUSTICE T.RAJA

W.P(MD)No.15730 of 2017 and W.M.P Nos.12438 & 12439 of 2017

V.Rosilrani ... Petitioner

Vs.

1.The Principal Secretary to the Government,
Department of School Education,
Secreatariat,
Fort.St.George, Chennai - 9.

2.The Director of School Education,
O/o. The Director of School Education,
DPI Campus, Chennai.

3.Teachers Recruitment Board,
Represented by its Chairman,
College Road,
Chennai - 6.

4.Teachers Recruitment Board,
Represented by its Secretary,
College Road,
Chennai - 6. ... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, directing the respondents to revise the answer key by way of deleting the incorrect answer key for the question No.59, 60 in Booklet Series C in Commerce Subject based and revaluate the answer sheets of the candidates in Commerce Subject based on the revised answer key and consequently to include the petitioner for the Certificate Verification for the post of Post Graduate Assistant in Commerce proposed to be conducted on 28.08.2017 and 29.08.2017 and appoint the petitioner in the post of Post Graduate Assistant in Commerce if found eligible.

For Petitioner : Mr.T.Lajapathy Roy
For Respondents : Mr.V.R.Shanmuga Nathan,
Special Government Pleader.

O R D E R

This Writ Petition has been filed for issuance of a Writ of Mandamus, directing the respondents to revise the answer key by way of deleting the incorrect answer key for the question Nos.59, 60 in Booklet Series 'C' in Commerce Subject, and revaluate the answer sheets of the candidates in Commerce Subject based on the revised answer key and consequently to include the petitioner for the Certificate Verification for the post of Post Graduate Assistant in Commerce proposed to be conducted on 28.08.2017 and 29.08.2017 and appoint the petitioner in the post of Post Graduate Assistant in Commerce.

2. It is pertinent to extract below the aforementioned questions:-

> "59.For calculating the value of an equity share by yield method, it is essential to know
> (A) Expected rate of return
> (B) Called up equity share capital
> (C) Capital employed
> (D) Normal rate of return
>
> 60.Assets are depreciated on the basis of expected life rather than on the basis of market value according to:
> (A) Consistency convention
> (B) Going concern concept
> (C) Money measurement concept
> (D) Cost concept"

3. With regard to the Question No.59 namely *"For calculating the value of an equity share by yield method, it is essential to know"*, the learned counsel for the petitioner states that the answer (A) namely "expected rate of return" is only the correct answer. While so, the other two answers (C) and (D), namely, the "Capital employed" and "Normal rate of return" respectively, cannot be taken as correct answers. Since the respondents have given mark to the options (A), (C) and (D), the rival claimants have also entered into the zone of consideration by getting more marks and therefore, the petitioner was not considered. He also submitted that the respondents unnecessarily granted mark to the options (C) and (D) and cut-off mark has also been decided differently. The respondents should not have awarded mark to the options (C) and (D).

4. The learned counsel for the petitioner, in support of his contention relied upon page No.11.5 of the textbook namely, Taxmann's Advanced Accounting-2, Corporate Accounting-III Edition by the Mr.Ashok Sehgal and Deepak Shegal, and submitted that option (A) is the correct answer for question No.59. The relevant passage from the said book is given as under:-

"Yield = $\frac{\text{Amount of Return (Rate of Return * Paid-up value of share)}}{\text{Market value of a share}}$*100

Yield value of a share = $\frac{\text{Rate of Return * Paid up value}}{\text{Yield}}$

= $\frac{\text{Expected Rate}}{\text{Normal Rate}}$ * Paid-up value of a share

Thus, to calculate yield value of a share, information about normal rate of return, paid up value of a share and the expected rate of return on shares is required. Paid-up value of a shares is given in the balance sheet. For ascertainment of normal rate of return, recall the discussion that has taken place in the chapter on 'valuation of Goodwill'.

Expected Rate = $\frac{\text{Profits available for equity shareholders}}{\text{Paid up equity capital}}$ * 100 "

5. The learned Special Government Pleader appearing for the respondents, taking support from page 33 of the typed set of papers filed by the petitioner, contended that the dividend basis of yield value shows that options (C) and (D) are also basically important to know for calculating the value of an equity share by yield method. Therefore, there is no error in framing of question No.59.

6. The learned counsel for the petitioner states that for question No.60, namely, " *Assets are depreciated on the basis of expected life rather than on the basis of market value according to:"*, Option (B), namely, ''Going concern concept'' is the correct answer. But the respondents have wrongly awarded mark to other candidates, who answered (D). Therefore, the petitioner's choices of competing with the others stood tough and unhealthy to the result.

7. The Experts who appeared submitted that question No.60 carries two answers namely, option (B)-Going concern concept and (D)-cost concept, since both the answers are closely relative.

8. The learned Special Government Pleader appearing for the respondents, taking support from page 2.7 of the Textbook of Financial Accounting (For B.Com. Course of all South Indian Universities) by T.S.Reddy and A.Murthy, submitted that the cost concept is also closely relative to the said question No.60, which is given under:

> *"According to cost concept, assets are recorded at the price paid to acquire them. The assets are gradually depreciated on the basis of cost and the effective life of the asset. The market values of assets are not considered. Cost Concept has been criticised for three reasons. Firstly, the historical cost does not reflect true value of the asset.*

Secondly, assets shown on cost basis do not provide a true and fair view of the financial position of a business unit. Thirdly, the cost concept ignores inflation."

Hence, no fault can be attributed on the part of the respondents in framing of question No.60.

9. The learned Special Government Pleader submitted that the contention made by the petitioner that she is entitled to get 3 marks and eligible to attend certificate verification is erroneous. On the contrary, the petitioner was awarded only 84 marks, whereas, the cut-off mark for General MBC women Category is 85.

10. The learned counsel for the petitioner submitted that the notification calling for the eligible candidates and making arrangements for the written examination and the selection process are all completely done violating the rules. Further, they have not even mentioned whether they have followed the rule of reservation.

12. On perusal of notification, it is seen that the respondents specifically followed the rule of reservation both vertically and horizontally. Moreover, the reservation has also been made for the persons with disabilities and also communal reservation for Scheduled Caste etc.

13.Finding merit on the said submission made by the learned Special Government Pleader and also finding that the petitioner has failed to secure 85 marks for the category of MBC Women category, this Court is not inclined to allow the prayer sought for in this writ petition. Besides, this Court is also not inclined to grant any liberty because there is no basis. Hence, this writ petition is dismissed. No costs.Consequently, connected WMPs are dismissed.

Sd/-
Assistant Registrar(A.E)

/True Copy/

Sub Assistant Registrar

To
1.The Principal Secretary to the Government,
Department of School Education,
Secreatariat, Fort.St.George, Chennai - 9.

2.The Director of School Education,
O/o. The Director of School Education,
DPI Campus, Chennai.

3.Teachers Recruitment Board,
Represented by its Chairman,
College Road, Chennai - 6.

4.Teachers Recruitment Board,
Represented by its Secretary,
College Road,
Chennai - 6.

+1cc to M/s. T.LAJAPATHI ROY Advocate in SR. No. 79781
SM
JS/MR.KKR/SAR.4/31.10.2017/5P-6C

W.P(MD)No.15730 of 2017
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