

In the High Court of Judicature at Madras

Dated : 19.6.2018

Coram :

The Honourable Mr. Justice T.S.SIVAGNANAM

Writ Petition Nos.14220 to 14226 & 14670 to 14678 of 2018
& WMP.Nos.16791 to 16797 & 17322 to 17330 of 2018

M.Kanagaraj ..Petitioner in WP.No.14220 of 2018
V.Vijayaraj ..Petitioner in WP.No.14220 of 2018
N.Rajadurai (Shop.No.956) ..Petitioner in WP.No.14220 of 2018
L.Subburaj (Shop.No.951) ..Petitioner in WP.No.14220 of 2018
S.Anandan ..Petitioner in WP.No.14220 of 2018
K.Lakshmanan ..Petitioner in WP.No.14220 of 2018
S.Muthuraman ..Petitioner in WP.No.14220 of 2018
R.Jeyakumar ..Petitioner in WP.No.14220 of 2018
A.Ramesh (shop.No.403) ..Petitioner in WP.No.14220 of 2018
K.Velmurugan (Shop.No.804) ..Petitioner in WP.No.14220 of 2018
C.Suresh (Shop.No.4510) ..Petitioner in WP.No.14220 of 2018
D.Pandy (Shop.No.663) ..Petitioner in WP.No.14220 of 2018
S.Amalraj (Shop.No.8865) ..Petitioner in WP.No.14220 of 2018
V.Ramesh (Shop.No.9182) ..Petitioner in WP.No.14220 of 2018
V.Chenchu Naidu ..Petitioner in WP.No.14220 of 2018
P.Jegan ..Petitioner in WP.No.14220 of 2018

Vs

- 1.The Tamil Nadu State Marketing Corporation Limited (TASMAC), rep.by its Managing Director, CMDA Tower, Gandhi Irwin Road, Egmore, Chennai-8.
- 2.The Tamil Nadu State Marketing Corporation Limited (TASMAC), rep.by its Senior Regional Manager, LLA Building, Anna Salai, Chennai-2. ...RR1 & 2 in all WPs
- 3.The Tamil Nadu State Marketing Corporation Limited (TASMAC), rep.by its District Manager, Chennai (South) District, No.B-4, Ambattur Industrial Estate, Ambattur, Chennai-58. ...R3 in WPs 14220 to 14226, 14670 to 14672/2018 & 14674/18

The Tamil Nadu State Marketing
Corporation Limited (TASMAC) Rep. by its
District Manager, Thiruvallur(East) Dt.,
No.1, Bangalore Highway,
Sembarambakkam, Chennai 602 103.

...R3 in WP.No.14675/2018, 14676, 14677/18

The Tamil Nadu State Marketing
Corporation Limited (TASMAC) Rep. by its
District Manager, Kancheepuram (North) District,
Industrial Estate, Thirumazhisai Unit,
Kancheepuram District 600 123.

...R3 in WP.No.14673 and 14678/2018

PETITION under Article 226 of The Constitution of India
praying for the issuance of a Writ of Mandamus forbearing the
respondents from demanding the huge licence fee of
Rs.9,35,358/-, Rs.13,28,195/-, Rs.8,17,916, Rs.9,61,564,
Rs.7,10,000/-, Rs.1,83,276/-, Rs.5,43,667, Rs.11,27,000/-,
Rs.8,19,987/-, Rs.3,45,571/-, Rs.8,08,700/-, Rs.4,30,971/-,
Rs.4,69,651/-, Rs.7,71,354/-, Rs.2,08,325/- & Rs.4,46,848
respectively for the month of May 2018 for shop No.
738,928,956,951,969,644,664,709,403,804,4510,663,8865,9182,8797
& 4125 respectively from the petitioner and consequently direct
the respondents to reduce the licence fee for the month of May
2018 based on the actual sales in the bar premises of the
petitioner (WP.No.14220 of 2018).

For Petitioners : Mr.K.Selvaraj
For Respondents : Mr.Arumugha Rajan and
Mr.K.Sathishkumar

COMMON ORDER

Mr.Arumugha Rajan and Mr.K.Sathishkumar, learned Standing
Counsel accept notice for the respondents. Heard both. By
consent, the writ petitions are taken up for joint disposal.

2. In these writ petitions, the petitioners, who were
granted licence to sell eatables and collect empty bottles and
cartons in the bar attached to the respective TASMAC retain
vending shops, have sought for a direction to forbear the
respondents from demanding huge licence fee for the month of May
2018 for their respective shops and consequently direct the
respondents to reduce the licence fee for the month of May 2018
based on the actual sales in the respective bar premises, in
which, the petitioners had been granted a licence to sell
eatables and collect empty bottles and cartons.

3. The reason for seeking such a prayer is on account of the fact that around 1700 shops were said to have been closed on and from 29.4.2018 pursuant to the orders passed by the Hon'ble Division Bench of this Court dated 28.4.2018 and that the shops in question, which were not affected by the order of the Hon'ble Division Bench of this Court, had shown an abnormal increase in the sales. Consequently, the respondents now demand that 3.5% of the sales for the month of May 2018 should be paid as a licence fee in June 2018.

4. The case of the petitioners is that the sales in the shops for the month of May 2018 do not reflect the actual figure, that the increase in sales was on account of the closure of the bars, which were abutting the highways and that therefore, the patronage for the shops in question and other similarly located shops are more for the month of May 2018 till the Hon'ble Supreme Court passed an order on 23.5.2018 directing to open all the shops abutting the main roads. Consequently, the State Government issued necessary orders on 04.6.2018 directing to reopen all the shops, which were closed pursuant to the order of the Hon'ble Division Bench of this Court dated 28.4.2018. In this regard, the petitioners are stated to have given representations and requested the respondents that a realistic amount may be collected from them as a licence fee and that the respondents should not mechanically adopt the sale value in the respective shops for the month of May 2018 so as to fix the licence fee. The representations are stated to be pending and since the authorities are insisting on 3.5% of the sales for the month of May 2018 as a licence fee to be payable in June 2018, the petitioners have rushed to this Court.

5. The learned Standing Counsel appearing for the respondents submit that though it may be true that the sales had increased in May 2018 only on account of the closure of 1700 shops, the petitioners took advantage of the situation and earned more revenue during the said period and that therefore, the respondent - Corporation was justified in their demand of 3.5% of the sales as licence fee payable by the respective petitioners in June 2018.

6. This Court has carefully considered the submissions made by the learned counsel on either side.

7. Though the learned Standing Counsel appearing for the respondents may be right in stating that the petitioners took advantage of the closure of shops abutting the main roads, the fact remains that when more than 1000 shops were closed, the patronage for the other shops, which are remaining open, would be eventually on the higher side, but it is only for a period of one month. Thus, the licence fee, which is demanded from the

respective petitioners should have a realistic calculation based on the actual sales, which would normally take place in a shop after the orders are passed by the State Government dated 04.6.2018. Since the licence fee is payable in the month of June 2018, this Court is inclined to issue appropriate directions.

8. For all the above reasons, the writ petitions are disposed of by directing the respective petitioners to pay 3.5% of the sales, which occurred during the month of April 2018 as a licence fee for the month of May 2018 payable in the month of June 2018. The respondents shall accept the same without prejudice to their rights. Along with the payment receipts, the petitioners are also directed to submit representations to the respondents. On receipt of the representations, the respondents shall consider the same, take note of the sales in the respective TASMAC retail vending shops for the months of January, February and March 2018 and take a conscious decision in the matters in accordance with law. The petitioners are further directed to pay the licence fee in terms of the above directions within a period of one week from the date of receipt of a copy of this order. No costs. Consequently, the connected WMPs are closed.

Sd/-

Assistant Registrar(CS II)

//True Copy//

Sub Assistant Registrar

RS

To

1. The Managing Director,
The Tamil Nadu State Marketing
Corporation Limited (TASMAC),
CMDA Tower, Gandhi Irwin Road,
Egmore, Chennai-8.

2. The Senior Regional Manager,
The Tamil Nadu State Marketing
Corporation Limited (TASMAC),
LLA Building, Anna Salai,
Chennai-2.

3. The District Manager,
The Tamil Nadu State Marketing
Corporation Limited (TASMAC),
Chennai (South) District, No.B-4,
Ambattur Industrial Estate,
Ambattur, Chennai-58.

4. The District Manager,
The Tamil Nadu State Marketing
Corporation Limited (TASMAC)
Thiruvallur(East) Dt.,
No.1, Bangalore Highway,
Sembarambakkam, Chennai 602 103.

5. The District Manager,
The Tamil Nadu State Marketing
Corporation Limited (TASMAC)
Kancheepuram (North) District,
Industrial Estate, Thirumazhisai Unit,
Kancheepuram District 600 123.

+1cc to Mr.P.Arumugarajan, Advocate SR.No.38544

+2cc to Mr.K.Sathishkumar, Advocate Sr.No.38510

+6cc to Mr.K.Selvaraj, Advocate SR.No.38211

RV(CO)

sm:20.6.2018

WP.No.14220 of 2018 etc.cases

सत्यमेव जयते

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