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W.P.(MD)NO.617 OF 2018

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 27.09.2023

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P.(MD)No.617 of 2018 AND
W.M.P.(MD)Nos.644 & 645 of 2018

M/s.Southern Petrochemicals
Industries Corporation Ltd.,
SPIC House, No.88, Mount Road,
Guindy, Chennai – 600 032.

... Petitioner

Vs.

1. The Union of India,
Rep. by the Secretary to Government,
Ministry of Shipping, Road Transport and Highways,
Transport Bhavan,
No.1, Parliament Street,
New Delhi – 110 001.
2. The Tariff Authority for Major Ports,
Rep. by its Member (Finance),
4th Floor, Bhandar Bhavan,
Mumbai – 400 010.
3. V.O.Chidambaranar Port Trust,
(Formerly Tuticorin Port Trust),
Rep. by its Chairman,
V.O.Chidambaranar Port,
Tuticorin – 628 004.
4. The Executive Engineer,
V.O.Chidambaranar Port Trust,
Tuticorin – 628 004.

... Respondents

Prayer: Writ petition filed under Article 226 of the
Constitution of India, to issue a Writ of Certiorarified



Mandamus, calling for the records bearing Order TAMP/38/2014-VOCPT dated 27.02.2016 passed by the second respondent and quash the retrospective implementation of the same insofar as the petitioner is concerned.

For Petitioner : Mrs.AL.Ganthimathi,
Senior Counsel,
for Mr.C.Mahadevan.

For R-1 & R-2 : Mr.P.Subbiah,
Standing Counsel.

For R-3 & R-4 : Mr.V.R.Shanmuganathan

* * *

ORDER

Heard the learned Senior counsel appearing for the writ petitioner and the learned Standing counsel appearing for respondents 1 and 2 and the learned counsel appearing for respondents 3 and 4.

2. The petitioner was allotted two plots of land by the Port trust way back in the year 1979-1981. It was a long term lease for a period of 30 years. As per the terms of the lease agreement, the lessee was to pay the enhanced lease rent once in five years. Clause 4 of the agreement reads as



follows:-

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“ The party of the second part shall pay to the party of the first part, the lease rent reserved in the lease agreement and which is subject to upward revision with effect from the first day of January 1987 and thereafter at the end of every five years from the said date.”

3. When the lease period expired, even though the petitioner continued to be in possession, the revision was not done immediately. It came to be done only in the year 2016. The lease rent payable by the petitioner was reduced with effect from 20.01.2011 onwards. As rightly pointed out by the learned Standing counsel for the Port Trust as well as the learned Standing counsel appearing for the Government of India, the exercise of revision was belatedly done and it cannot be characterised as retrospective revision.

4. After arguing for a while, the learned Senior counsel submitted that the petitioner accepts the revision made even for the years 2011 to 2016 and the petitioner is



willing to pay the rent in four monthly installments. It is also seen that the petitioner has not disputed the revision for the subsequent period. Taking note of the overall facts and circumstances, the rent payable by the petitioner for the aforesaid period (ie.) 2011 to 2016 shall be paid in four monthly installments. The first installment will commence with effect from 01.11.2023. The Port Trust is demanding the petitioner to pay interest @ 15% p.a. The petitioner wants to scale down the interest @ 6% p.a. This issue will be resolved through negotiation. Leaving open the issue regarding interest, this writ petition stands disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

27.09.2023

NCC : Yes / No
Index : Yes / No
Internet : Yes/ No

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G.R.SWAMINATHAN,J.

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