



W.P.No.17049 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 21.06.2024

CORAM :

THE HONOURABLE MR. JUSTICE G.K.ILANTHIRAIYAN

W.P.No.17049 of 2021 and
W.M.P.No.18081 of 2021

M/s.R.V.EXIM
Rep. by its proprietor
C.Vasudevan

...Petitioner

-Vs-

1. The Secretary,
TamilNadu State Transport Corporation,
Secretariat,
Fort St. George,
Chennai-600 009.

2. The Managing Director,
TamilNadu State Transport Corporation (Salem) Ltd.,
No.12, Ramakrishna Salai,
Salem-636 007.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus calling for the entire records in K.No.3132/Civil/TNSTC/Salem/2021 dated 05.08.2021 on the file of the 2nd Respondent and quash the same, consequently direct the 2nd respondent to refund of Rs.36,03,650/- to the petitioner.



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For Petitioner : Mr.S.Ilamvaludhi
for
Mr.D.Manimaran

For Respondent 1 : Mr.E.Vijay Anand
Additional Government Pleader

For Respondent 2 : Mr.M.Ashwin
Standing Counsel

ORDER

This writ petition has been filed challenging the order passed by the 2nd respondent dated 05.08.2021 thereby rejected the request made by the petitioner and directed the petitioner to pay a sum of Rs.17,12,216/- as license fees.

2. The 2nd respondent is operating buses in the Salem region. The petitioner approached the 2nd respondent to display advertisements by affixing stickers on the rear side, passenger view glasses and on other conspicuous places in the buses. The petitioner is being a successful bidder, he was awarded to advertise in the buses operated by the 2nd respondent in the Salem region. The petitioner paid the earnest money deposit and security deposit and the petitioner was directed to publish advertisement in the buses. The



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petitioner is being the agent of advertisement, he has to pay monthly license fees and other earnest and security deposits. However, according to the 2nd respondent, due the spread of Covid-19 Corona Virus, the Government of TamilNadu has announced 100% lockdown. In view of the lockdown, no buses were operated by the 2nd respondent. Therefore, the customers of the petitioner had stopped giving advertisement to advertise in the buses operated by the 2nd respondent. Therefore, the petitioner suffered huge loss and he made representation to the 2nd respondent to reduce 25% of licence fees from the total licence fee as announced by the Southern Railway by its communication dated 19.04.2021. Further, the petitioner also requested to return or refund the earnest and security deposits in the event of non acceptance of earlier request. However, the request was concerned, the respondent demanded a sum of Rs.17,12,216/- as licence fees for the period from 24.06.2021 to 23.07.2021 and 24.07.2021 to 23.08.2021.



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3. On perusal of the counter affidavit filed by the 2nd respondent revealed that the petitioner was awarded contract for the period of 11 months, starting from 24.02.2021 to 23.01.2022 to display advertisement by fixing stickers in the buses operated by the 2nd respondent. As per the license, the petitioner paid the Earnest Money Deposit and Security Deposit. Subsequently, the petitioner failed to pay the license fees citing the reason of Covid-19 pandemic. In fact, during Covid-19 period, no license fees were imposed on the petitioner. The petitioner cannot site the Covid-19 lockdown period as reason for non-payment of license fee as the corporation waived license fee for the entire lock down period from 24.05.2021 to 04.07.2021. Therefore, considerable concession has been given to the petitioner. Further, as per specific clause in the deed that the second respondent shall refund the Security Deposit in the event of discontinuation of agreement. As per clause 18 of license deed, if performance prevented due to the epidemic, the default can be considered. As such, the corporation waived the license fee for the entire period of lock down and instructed the petitioner to pay amount for remaining period.



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4. Therefore, this Court cannot find any infirmity or illegality in the order passed by the 2nd respondent dated 05.08.2021. However, the 2nd respondent is directed to consider the request made by the petitioner for reduction of license fees to the tune of 25% during the Covid-19 period and issue fresh demand to the petitioner and return the Security Deposit made by the petitioner after adjusting the monthly fees if any.

5. With the above direction, this writ petition is disposed of. Consequently, connected miscellaneous petition is closed. No costs.

21.06.2024
(1/2)

Index : Yes/No
Speaking/Non-Speaking Order
Neutral Citation : Yes/No
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G.K.ILANTHIRAIYAN,J.
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To

1. The Secretary,
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Secretariat,
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2. The Managing Director,
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