



W.P.No.22428 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON	23.04.2024
PRONOUNCED ON	30.04.2024

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

W.P.No.22428 of 2021
and
W.M.P.No.23681 of 2021

Watery Coconut Merchants Association,
Rep. by its President,
S.Sangaiya,
2/1, 1st Floor, Mahizhampoo Salai,
Annamalai Nagar,
Trichy – 18.

.... Petitioner

Vs

1. The State of Tamil Nadu,
Rep. by its Agricultural Production Commissioner/
Secretary to Government,
Secretariat, Fort St George,
Chennai – 600 009.

2. The Commissioner,
Department of Agricultural Marketing and Agri Business,
Guindy, Chennai – 600 032.

.... Respondents

Prayer : Writ Petition filed under Article 226 of Constitution of India praying for the issuance of a Writ of declaration declaring the action of respondents in demanding or levying market fee in respect of Water Cocount utilized as vegetables/domestic purposes is arbitrary, illegal and without jurisdiction, in



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the absence of declaration of notified agricultural produce and notified market area for the produce under the provisions of the Tamil Nadu Agricultural Produce Marketing (Regulation) Act, 1987.

For Petitioner : Mr.G.Sankaran
Senior Counsel
for Mr.S.Nedunchezhiyan

For Respondents : Mr.E.Vijay Anand
Additional Government Pleader

ORDER

This Writ Petition has been filed for declaration declaring that the action of respondents in demanding or levying market fee in respect of Water Coconut utilized as vegetables or domestic purposes as arbitrary, illegal and without jurisdiction.

2. The petitioner is an Association and its object is to protect the interest of its members who are traders of Watery Coconut which is not an agricultural produce listed in the schedule as per Section 2(1) or notified agricultural produce as per Section 2(12) of the provisions of Tamil Nadu Agricultural Produce Marketing (Regulation) Act, 1987 (hereinafter referred as the "Act"). The Act was enacted after repealing the Old Act. Accordingly, the Market Committee shall levy a fee on any 'Notified Agricultural Produce' which are brought or sold in the 'Notified Market Area' under Section 24(1) of the



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Act. The agricultural produce included the schedule will be a notified agricultural produce after notification under Section 3 of the Act to declare the intention of regulating the marketing of such agricultural produce and in such area as may be specified in the notification, viz., Notified Area.

3. Section 4 contemplates declaration of notified area in respect of such notified agricultural produce in pursuant to intention notification under Section 3 of the Act. Levy of market fee can be invoked only for the purpose of sale of notified agricultural produce within the notified market area as per Section 6(2) of the Act or as per Section 9(1)(d) read with Section 3 of the Act.

4. Heard Mr.G.Sankaran, learned Senior Counsel appearing for the petitioner and Mr.E.Vijay Anand, learned Additional Government Pleader appearing for the respondents and perused the materials available on record.

5. The learned Senior Counsel appearing for the petitioner contended that, in the Schedule to the Act, under Class III, Oil Seeds Coconut (un-husked or husked or copra) was included as an agricultural produce in the Schedule. Therefore, the coconut which are utilised as oil seeds when being a



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notified agriculture produce with reference to notified market area would be liable for levy of market fee for being purchased or sold within the notified market area under Section 24(1) of the Act. Whereas, the Watery Coconut used as vegetables for human consumption was not included as an agriculture produce under the Class-V, i.e., vegetables. Therefore, the respondents cannot levy any market fee on Watery Coconut which is meant for human consumption and religious purpose.

6. In view of the order passed in the Second Appeal filed by the Trichy Market Committee that the term oil seeds in the Schedule cannot be interpreted in a different way and it will not bring the Watery Coconut also under the schedule, the Government passed an order in G.O.Ms.No.222, Agricultural Department, dated 01.10.2010, thereby amended the schedule with reference to Class-III of oil seeds in Item No.5 substituting coconut in all forms except tender coconut in the place of coconut (un-husked or husked or copra). It was challenged by the petitioner Association and this Court held that the Watery Coconut will not fall within the category stipulated and therefore, there cannot be any demand or levy of market fee. Once again, the respondents passed an order in G.O.Ms.No.11, Agricultural Department, dated 11.01.2019,



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thereby amended the schedule by deleting the Item No.5 'coconut in all forms except tender coconut' from Entry-III oil seeds and included the same as Item No.5 against the Class-XV 'Miscellaneous'. Accordingly, they decided to include the produce of coconut in all forms except tender coconut under the classification of Miscellaneous by deleting the same from the earlier classification oil seeds.

7. The learned Senior Counsel further contended that the inclusion of the agricultural produce 'coconut in all forms except tender coconut' under the classification of 'Miscellaneous' in the schedule to the Act will not ipso facto give power to the Market Committee to levy market fee unless the same is declared as notified agricultural produce as per intention notification under Section 3 of the Act followed by declaration notification under Section 4 of the Act and declaration of notified market area either 6(2) of the Act or under Section 9(1)(d) read with under Section 3 of the Act.

8. A perusal of the counter filed by the respondents and the submissions made by the learned Additional Government Pleader reveals that the schedule of agriculture produce were classified under various heads viz.,



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Cereals, Pulses, Oil Seeds, Fibres, Vegetables, Fruits, Drugs and Narcotics, Tubers, Condiments and Spices, Animal Husbandry Produce, Apiculture, Pisciculture, Forest Products, Sericulture and Miscellaneous. Section 24(1) of the Act says that the Market Committee shall levy a fee on any notified agricultural produce bought or sold in the notified market area at a rate not less than one rupee, but not exceeding two rupees for every hundred rupees. It was also upheld by the Hon'ble Division Bench of this Court. As per the order in G.O.Ms.No.11, Agricultural (AM 2) Department, dated 11.01.2019, the 'coconut in all forms except tender coconut' was excluded from Class III of oil seeds and placed under Class-XV of Miscellaneous. As per the Act, the words Market Committee, Agricultural Produce and Notified Market Area are defined under the New Act.

9. Now by Act 1 of 2024 amended the Tamil Nadu Agricultural Produce Marketing (Regulation) Act, 1987, the Coconut (in all forms except tender coconut) has been included in the Schedule. As per the amendment, the coconut in all forms except tender coconut has been included and as such, there is absolutely no impediment in demanding or levying market fee in respect of Watery Coconut. Hence, this writ petition lacks merits and is liable to be dismissed.



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10. Accordingly, this Writ Petition stands dismissed.

Consequently, connected miscellaneous petition is closed. No costs.

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Internet: Yes

Index : Yes/No

Speaking/Non Speaking order

Neutral Citation : Yes/No

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To

1. The Agricultural Production Commissioner/
Secretary to Government,
Secretariat, Fort St George,
Chennai – 600 009.

2. The Commissioner,
Department of Agricultural Marketing and Agri Business,
Guindy, Chennai – 600 032.



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G.K.ILANTHIRAIYAN. J,

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Pre-delivery order in
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