



W.P.(MD).No.26971 of 2024

WEB COPY

**BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT**

**DATED : 12.11.2024**

**CORAM**

**THE HONOURABLE MRS.JUSTICE L.VICTORIA GOWRI**

**W.P.(MD).No.26971 of 2024**

**and**

**W.M.P.(MD)Nos.22841 and 22844 of 2024**

M/s.Mega Trends Inc,  
Represented by its Partner,  
Alpesh D Patel,  
Dhilip Patel,  
Having Registered Office at,  
Torino Factory,  
Vilangudi, Madurai-625 018.

... Petitioner

Vs.

1.The Assistant Commercial  
Manager / Senior Divisional  
Commercial Manager,  
Divisional Office,  
Commercial Branch,  
Southern Railways,  
Madurai.

2.The Senior Division Electrical  
Engineer,  
Electrical Branch,  
Divisional Office,  
Southern Railway,  
Madurai.

... Respondents



W.P.(MD).No.26971 of 2024

**Prayer** : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records of the impugned proceedings in U/C79/WVM / Cluster 1 dated 16.10.2024 on the file of the 1<sup>st</sup> respondent and quash the same and further directing the respondents to provide electricity connection along with prepaid meters at 14 stations / 20 locations to the petitioner to establish water vending machine as per the contract awarded by the 1<sup>st</sup> respondent.

For Petitioner : Mr.K.Jeyamohan

For Respondents : Mr.K.Govindarajan,  
Deputy Solicitor General of India

### **ORDER**

The prayer in the writ petition reads as follows:

*“This writ petition has been filed to direct the respondents to call for the records of the impugned proceedings in U/C79/WVM / Cluster 1 dated 16.10.2024 on the file of the 1<sup>st</sup> respondent and quash the same and further directing the respondents to provide electricity connection along with prepaid meters at 14 stations / 20 locations to the petitioner to establish water vending machine as per the contract awarded by the 1<sup>st</sup> respondent.”*



**W.P.(MD).No.26971 of 2024**

WEB COPY

2. Heard, Mr.K.Jeyamohan, learned counsel appearing for the petitioner, Mr.K.Govindarajan, learned Deputy Solicitor General of India appearing for the respondents and carefully perused the materials available on record.

3. The petitioner succeeded in e-auction invited by the 1<sup>st</sup> respondent for the purpose of entering into contract for installation, operation and maintenance of water vending machines on stand alone basis at railway station including Tirunelveli Junction (4 units), Dindigul Junction (2 units), Virudhunagar Junction (1 unit), Tuticorin (1 unit), Tenkasi (1 unit), Ambasamudiram (1 unit), Karaikudi ( 2 units), Kovilpatti (1 unit), Mandapam (1 unit), Palani (1 unit), Punalur (1 unit), Rajapalayam ( 1 unit), Ramanathapuram ( 1 unit) Tiruchendur ( 2 units) totally amounting to 14 stations ( 20 locations under one cluster) and he was declared as a successful bidder. He was granted with the contract of installing, operating and maintaining water vending machines on stand alone basis in the aforesaid railway stations for a period of five years from 18.08.2024 to 17.08.2029. The entire contract value is to the tune of Rs.1,06,20,000/- (Rupees One Crore Six Lakhs and Twenty Thousand only) and he has to pay an annual license fee of Rs.18,00,000/- (Rupees Eighteen Lakhs only) every



**W.P.(MD).No.26971 of 2024**

year and as such the said annual license fee would be collected on quarterly basis to the tune of Rs.4,50,000/- (Rupees Four Lakhs and Fifty Thousand only) every quarter. The petitioner also paid an earnest money deposit to the tune of Rs.90,000/- (Rupees Ninety Thousand only) which is 5% of the annual contract value. The petitioner had already paid the quarterly licence fee of Rs.4,50,000/- (Rupees Four Lakhs Fifty Thousand only) for the period from 06.08.2024 to 05.11.2024 which commenced as early as on August 2024.

4. On 23.07.2024, the petitioner made a request to the 2<sup>nd</sup> respondent by a representation seeking to provide power supply to all the 20 locations to establish water vending machines. However, the same was not responded to immediately. Following which, he had made yet another representation on 04.09.2024 requesting the 1<sup>st</sup> respondent to make necessary arrangements for providing electricity connection. Later on 16.10.2024, the impugned communication was served on the petitioner declining the request of the petitioner mentioning that the petitioner's request for electrical connection to the water vending machines at 14 stations / 20 locations without any security deposit has been considered by the electrical department subject to the provision of prepaid meter from the petitioner at all the locations. He



W.P.(MD).No.26971 of 2024

was further directed to commence the contract immediately. Challenging the same, this writ petition came to be filed.

5. The learned counsel for the petitioner, Mr.K.Jeyamohan, submitted that said impugned order is contrary to the terms of contract and it is the duty of the 1<sup>st</sup> respondent to provide him with power supply for all the locations without insisting for security deposit and pressed for allowing the writ petition.

6. Per contra, Mr.K.Govindarajan, learned Deputy Solicitor General of India appearing for the respondents, submitted that the petitioner can never insist for such a facility without security deposit and such a concession had never ever been made by the railway at any point of time to anyone except to their own sister concern IRTC and the private leasees have to pay the security deposit or will have to arrange their own prepaid meters.

7. The learned counsel for the petitioner submitted his plight insisting that requiring the petitioner to arrange his own prepaid meters at this point of time, which is not mandated by the various clauses of the contract, would result in huge impediment and hardship to the petitioner who has never



**W.P.(MD).No.26971 of 2024**

been put to such a circumstance before in his experience in the business of installation of water vending machine. He also brought to the notice of this Court that the petitioner who has already successfully installed water vending machine in conducting the business in Trichy division of the railways was never encountered with such a difficulty wherein the said division had provided him with electricity connection without insisting for security deposit along with prepaid meter. Thus, the petitioner has a legitimate expectation with the 1<sup>st</sup> respondent for the same facility in this division as well.

8. However, it is quite clear that the petitioner's request cannot be insisted upon relying upon the circular dated 29.04.2016 of the Railway Board, Ministry of Railways, which was for the purpose of IRTC alone and not for private licensee. Considering the fact that, the delay in installing the water vending machine would be attributable to the 1<sup>st</sup> respondent's callousness in responding to the representation to the petitioner dated 23.07.2024, this Court is of the considered view that the 1<sup>st</sup> respondent may give six weeks time for the petitioner to procure his own prepaid meter without insisting security deposit and facilitate the petitioner to commence the contract by running the water vending machines in all the 20 locations



**W.P.(MD).No.26971 of 2024**

from today. However, as far as the dispute with respect to the refunding of the license fee for the period of non-commencement of the contract for the earlier quarter, the same will have an independent cause of action which is independent of this writ petition and and whatever observation in this writ petition will not have any impact in the aforesaid proceedings.

9. Accordingly, this writ petition is disposed of. The petitioner is given with a liberty to resort to arbitration for the refund of the license fee for the earlier quarter of the non-commencement of the contract. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

**12.11.2024**

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

To

1.The Assistant Commercial  
Manager / Senior Divisional  
Commercial Manager,  
Divisional Office,  
Commercial Branch,  
Southern Railways,  
Madurai.



**W.P.(MD).No.26971 of 2024**

2.The Senior Division Electrical  
Engineer,  
Electrical Branch,  
Divisional Office,  
Southern Railway,  
Madurai.



WEB COPY



**W.P.(MD).No.26971 of 2024**

**L.VICTORIA GOWRI, J.**

Sml

**W.P.(MD).No.26971 of 2024**

**12.11.2024**