IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.10.2025

CORAM:

THE HON'BLE MR.JUSTICE M.DHANDAPANI

W.P.No.18822 of 2015
and M.P.No.2 of 2025

Madura Coats Pvt. Ltd.,
(Coats India Division),
Rep.by its Manager-Excise & Legal,
No.37-A, Velacherry Main Road,
Opposite Vijaynagar Bus Terminal,
Chennai-600 042. ... Petitioner

Vs.

1.Union of India,
Rep. by Secretary to Government,
Ministry of Shipping, Road Transport & Highways,
Transport Bhavan, No.1, Parliament Street,
New Delhi.

2.The Tariff Authority for Major Ports (TAMP) with Director,
Adjudicating Board for Major Ports, Ministry of Ports,
Shipping and Waterways, Government of India,
IV Floor, Bhandar Bhavan, Muzawar Pakhadi Road,
Mazagon, Mumbai-400 010.

3.Estate Officer,
V.O. Chidambaranar Port Trust,
(Formerly Tuticorin Port Trust)
Engineering Department (Civil),
Administrative Office,

Tuticorin 628 004.

4.The Chief Engineer,
V.O. Chidambaranar Port Trust,
(Formerly Tuticorin Port Trust)
Engineering Department (Civil),
Administrative Office,
Tuticorin 628 004.

[R-2 amended vide order dated 30.10.2025 made in WMP.No.46502 of 2025 by MDIJ]

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the records of the second respondent's notification bearing G.No.156, dated 21.05.2014 and the subsequent demand letters dated 17.11.2014 bearing No.E (c) -56/04/2014-EST/D-3756 issued by the third respondent and 19.05.2015 bearing No.E (c)-56/24/2008/2015-EST-1971 issued by the fourth respondent and quash the same as against this petitioner as being arbitrary, in violation of the relevant laws and against the principles of natural justice and consequently, direct the respondents to consider and consult the petitioner prior to fixation of rates and tariffs for the lands licensed to the petitioner.

For Petitioner	:	Mr.P.R.Raman, Sr. Counsel for Mr.C.Seethapathy
For Respondent-1	:	Mr.J.Madana Gopal Rao
For Respondent-2	:	Mr.Haja Mohideen Gisthi
For Respondent Nos.3 & 4	:	Mr.Yashod Vardhan, Sr. Counsel for Mr.S.Yashwanth

O R D E R

The second respondent's notification bearing G.No.156, dated 21.05.2014 and the subsequent demand letters dated 17.11.2014 bearing No.E (c) -56/04/2014-EST/D-3756 issued by the third respondent and 19.05.2015 bearing No.E (c)-56/24/2008/2015-EST-1971 issued by the fourth respondent, are put under challenge in the present Writ Petition. Further, the petitioner seeks a direction to the respondents to consider and consult the petitioner prior to fixation of rates and tariffs for the lands licensed to the petitioner.

2.Heard the learned counsels appearing for the parties.

3. The gist and kernel of the case which emanates the petitioner to file the present petition is as follows:

3.1. The petitioner is a Company incorporated under the provisions of the Companies Act, 1956 and manufacturing yarns, sewing threads and other textile accessories for inland and export. The petitioner's Company has its factories at five locations across India, including one at Beach Road, Tuticorin, Tamil Nadu. There are 550 employees employed at the said factory. In order to provide cycle parking to their employees, the factory put up a cycle stand which is very near to the seashore just opposite to the bank and is generally a vast open space with blocks of cement floored sheds with asbestos roof tops. The land is owned by the third respondent Port and leased to the petitioner in and around 1981. However, the petitioner entered into a registered lease deed on 02.12.1988 initially for rental to the tune of Rs.19,338/- and subsequently, the land was extended and lease was renewed periodically for every 11 months along with revised rent. The second respondent was set up by the Central Government in the year 1997 and has been vested with the Authority of fixing scale of rates for services to be performed by the Port Trusts and the lands belonging to it, the third respondent Port also comes under it. The second respondent vide order dated 18.11.2004 revised the rates applicable to the third respondent, which was effective for the period from 01.07.2002 to 20.06.2007 and vide letter dated 17.11.2014, the petitioner was informed about the order of the second respondent dated 21.05.2014, whereunder the second respondent has revised the license fee in respect of lands of the third respondent. The increase was for two quinquenniums viz., 2007-12 and 2012-17, with retrospective effect.

In view of the said enhancement, the third respondent called upon the petitioner to pay a sum of Rs.35,55,429/- [Rs.27,65,748 + Rs.7,89,681/-] as the purported of arrears of license fees and rental arrears calculated based on the revised rates.

4. Aggrieved over the same, the present Writ Petition has been filed by the petitioner.

5. **<u>Contentions of the learned Senior Counsel appearing on behalf of the petitioner:</u>**

5.1. The learned Senior Counsel for the petitioner submitted that the Central Government has set up the second respondent for fixation of scale of rates for the Major Ports, however, prior to it, the third respondent had fixed the rent for the subject land. He contended that there is no provision available prior to the year 2017 for specifically fixing the lease rent retrospectively, however, the second respondent without any provision or authorization had fixed the rent with retrospective effect, which is impermissible in law. He added that whatsoever, as per the notification of the second respondent, the third respondent demanded arrears of lease rent amount from the petitioner. He continued his arguments by stating that the petitioner herein had raised his objections and required clarification for such demand as the calculation was made under "Zone B -Non port related" instead of "Zone B-Port related" where their lease land was covered under Zone B-Port Related, however, the fourth respondent replied that the calculation was done based on the revised new TAMP Schedule of Rates which was approved by the third respondent and they are not having any authority to revise the rental charges against the TAMP authority's decision and directed to remit a sum of Rs.35,55,429/- [Rs.27,65,748 + Rs.7,89,681/-]. Aggrieved by the same, the present Writ Petition has been filed and on 29.06.2015, this Court had granted an order of interim stay on condition that the petitioner shall deposit a sum of Rs.5 lakhs before the third respondent and the same has been complied with by the petitioner.

5.2. Continuing his arguments, the learned Senior counsel submitted that as per the direction of this Court dated 24.10.2025, the petitioner has produced the calculation memo as per letter issued by VOC Port Trust for lease rent dated 17.11.2014 [Memo of calculations for the periods from July 2007 to June 2014 at increased rate of 10% every year], the same has been extracted hereunder for useful reference:

W.P.No.18822 of 2015

MEMO OF CALCULATIONS FOR THE PERIODS FROM JULY 2007 TO JUNE 2014 AT INCREASED RATE OF 10% FOR EVERY YEAR

As per Letter issued VOC Port Trust for lease rent letter issued by dated 17.11. 2014 - CALCULATION (From July 2007 to June 2014)

S.No	From	To	No. of months	Area of Sq.m	Rate per Sqm / Annum	Rate per Sqm / month in INR	Total Month Rent in INR	Proposed 10% of the Differential Amt in INR	Total in INR
1	01.07.2007	31.03.2008	9	1961	66.60	5.55	97951.95	**9795.20**	107747.15
2	01.04.2008	30.06.2008	3	1961	73.32	6.11	35945.13	**3594.51**	39539.64
3	01.07.2008	31.12.2008	6	1961	73.32	6.11	71890.26	**7189.03**	79079.29
4	01.01.2009	30.06.2009	6	1961	73.80	6.15	72360.90	**7236.09**	79596.99
5	01.07.2009	30.09.2009	3	1961	73.80	6.15	36180.45	**3618.05**	39798.50
6	01.10.2009	30.06.2010	9	1961	74.76	6.23	109953.27	**10995.33**	120948.60
7	01.07.2010	31.05.2011	11	1961	78.72	6.56	141605.76	**14150.58**	155656.34
8	01.06.2011	30.06.2011	1	1961	82.56	6.88	13491.68	**1349.17**	14840.85
9	01.07.2011	30.04.2012	10	1961	82.56	6.88	134916.80	**13491.68**	148408.48
10	01.05.2012	30.06.2012	2	1961	86.76	7.23	28356.06	**2835.61**	31191.67
11	01.07.2012	31.03.2013	9	1961	86.76	7.23	127602.27	**12760.23**	140362.50
12	01.04.2013	30.06.2013	3	1961	91.08	7.59	44651.97	**4465.20**	49117.17
13	01.07.2013	28.02.2014	8	1961	91.08	7.59	119071.92	**11907.19**	130979.11
14	01.03.2014	30.06.2014	4	1961	95.70	7.98	62555.90	**6255.59-**	68811.49
							10,96,434.32	**1,09,643.46**	12,06,077.78

i) Total rent payable at 10% increase from 2007 to 2014 is Rs. 12,06,077.78/-

ii) Total rent paid from 2007 to 2014 (to be adjusted) is Rs. 9,96,293/-

Balance differential amounts for the periods from July 2007 to June 2014 payable by the petitioner is Rs. 2,09,784.78 /-

Dt: 30/10/25

29/10/2015

Counsel for Petitioner

5.3. In furtherance, he submitted that as per the calculation memo, the total rent payable at 10% increase from 2007 to 2014 is Rs.12, 06,077.78, in which the petitioner had already paid a sum of Rs.9,96,293/-. from the aforesaid calculation memo, it is to be noted that the balance differential amount payable by the petitioner from July 2007 to June 2014 is Rs.2,09,784.78 and the differential amount can be adjusted from the deposit amout of Rs.5 lakhs paid by the petitioner before the third respondent and the balance amount shall be treated as interest payable to the third and fourth respondent. Thus, taking all the aforesaid aspects, the learned Senior counsel prayed this Court to pass appropriate orders in the petition.

6. Per contra, the learned Standing counsel for the second respondent submitted that the second respondent is the competent authority appointed by the Central Government for fixation/ revision of tariff for the Major Ports Trusts and private terminals. He submitted that the second respondent after following the provisions of Land Policy guidelines and Ports Trust Act and hence, prayed for dismissal of the petition.

7. The learned Standing counsel for the third and fourth respondents submitted that the Central Government has appointed the second respondent which is the competent authority for fixing the scale of rates for the Major Ports and for fixing the lease rent for the Port lands and as per the directions of the second respondent and with the expert land valuer, as well as the recommendations of the Committee, the Port has revised the proposal for the lease rent of Port lands from 01.07.2007 to 30.06.2012 and 01.07.2012 to 30.06.2017, which is strictly in accordance with Land Policy of the Major Ports approved by the Government. He further submitted that in view of the same, based on the order of the second respondent dated 21.05.2014, the third and fourth respondent had sent letters dated 17.11.2014 & 19.05.2015 to the petitioner to remit a sum of Rs.35,55,429/- as rental arrears and hence, the demand of the third and fourth respondents / VOC Port authorities warrants no interference.

8. I have considered the rival submissions made by the respective counsels and also perused the materials available on record.

9. Admittedly, the petitioner has entered into a lease agreement with the third and fourth respondent to the land to an extent of 2930 sq. feet for parking the Cycles in the year 1987 which fact is not disputed by the respondents. Earlier transactions between the petitioner and the third respondent is covered by the Major Ports Act and subsequently, the Central Government has appointed the second respondent as authority for fixation of scale of rates and passed an order on 17.11.2014 calculating the rent retrospectively which has been challenged before this Court.

10. At this juncture, it is relevant for this Court to refer to Section 49 of the Major Ports Act, 1963 and the same is extracted hereunder for ready reference:

> ***49. Scale of rates and statement of conditions for use of property belonging to Board***.—
>
> *(1) [The Authority shall from time to time, by notification in the Official Gazette, also frame a scale of rates on payment of which, and a statement of conditions under which, any property belonging to, or in the possession or occupation of, the Board, or any place within the limits of the port or the port approaches may be used for the purposes specified*

hereunder—]

(a) approaching or lying at or alongside any buoy, mooring, wharf, quay, pier, dock, land, building or place as aforesaid by vessels;

(b) entering upon or plying for hire at or on any wharf, quay, pier, dock, land, building, road, bridge or place as aforesaid by animals or vehicles carrying passengers or goods;

(c) leasing of land or sheds by owners of goods imported or intended for export or by steamer agents;

(d) any other use of any land, building, works, vessels or appliances belonging to or provided by the Board.

(2) Different scales and conditions may be framed for different classes of goods and vessels.

[(3) Notwithstanding anything contained in sub-section (1), the Board may, by auction or by inviting tenders, lease any land or shed belonging to it or in its possession or occupation at a rate higher than that provided under sub-section (1).]

[49A. Fees for pilotage and certain other services.—

(1) Within any port, fees may be charged for pilotage, hauling, mooring, re-mooring, hooking, measuring and other services rendered to vessles, at such rates as the Authority may fix.

(2) The fees now chargeable for such services shall continue to be chargeable unless and until they are altered in exercise of the power conferred by sub-section (1).

(3) The Central Government may, in special cases, remit the whole or any portion of the fees chargeable under sub-section (1) or sub-section (2).

49-B. Fixation of port-dues.*--*

(1)The Authority shall from time to time, by notification in the Official Gazette, fix port-dues on vessels entering the port.

(2) An order increasing or altering the fees for pilotage and certain other services or port-dues at every port shall not take effect until the expiration of thirty days from the day on which the order was published in the Official Gazette].

11. Furthermore, it is also pertinent to extract the provisions of Section 27 of the Major Port Authorities Act, 2021, which reads as under:

*"**27.** (1) The Board of each Major Port Authority or the committee or committees constituted in this behalf by the Board in accordance with section 14, may,—*

(a) frame scale of rates at which, and a statement of conditions under which, any services shall be performed or made available; Powers of Board in respect of planning and development. 52 of 1962.

(b) frame scale of rates at which, and a statement of conditions under which, the access to and usage of the port assets may be allowed by the Board;

(c) frame consolidated scale of rates for any combination of services specified in clause (a) or for any combination of such service or services with any user or permission to use or access to any port assets as specified in clause (b);

(d) pass an order for refund of any amount overcharged by the Board in relation to the services provided to any person;

(e) pass an order for recovery of any rate or charge which is short-levied or erroneously refunded by the Board to any person under this Act; and

(f) frame different scales, fees, rates and conditions for different classes of goods and vessels under this section:

Provided that the fixation and implementation of such scales, fees, rates and conditions shall be in consonance with the norms as may be prescribed and shall—

(i) <u>not be with retrospective effect</u>;

(ii) not be in derogation with the rules made by or directives of the Central Government in this behalf;

(iii) not be inconsistent with the provisions of the Competition Act, 2002; and

(iv) not be inconsistent with the provisions of any other law for the time being in force:

Emphasis Added

Provided that in case of Public Private Partnership projects after the commencement of this Act, concessionaire shall fix the tariff based on market conditions and on such other conditions as may be notified:

Provided further that the revenue share and other conditions would be as per the provisions of the specific concession agreement between the Board and the Public Private Partnership concessionaire appointed under the Public Private Partnership project.

(2) Notwithstanding anything contained in clause (b) of sub-section (1),the Board may, by auction or by inviting tenders, lease any port asset belonging to or in its possession or occupation at a rate higher than that provided under clause (b) of sub-section (1).

12. On perusal of Section 49 makes it clear that the Authority has no power to fix the rent retrospectively as there is no provision for claiming the lease amount retrospectively from the person to whom the land was leased out as per the Major Ports Act and hence, retrospective claim made by the

third respondent is not tenable. However, prospective amount was paid by the petitioner from the year 2014. It is made clear that there is no specific clause for retrospective claim as per the new Act also. As such, the retrospective demand made by the second and third respondents, is not permissible without any enhancement of rent. It is pinpointed by the learned Senior counsel for the petitioner that the petitioner has not entered into any agreement in respect of the property and had handed over the land to the third respondent. As per the direction of this Court, the petitioner has produced a memo of calculation before this Court in regard to the amount payable to the third respondent. From the said calculation, it is to be noted that the petitioner has to pay a sum of Rs.12,06,077.78/- as arrears of rent from July 2007 to June 2014 at the increased rate of 10% every year, for which, the learned Senior counsel for the petitioner submitted that as per letter issued by VOC Port Trust for lease rent dated 17.11.2014 [Memo of calculations for the periods from July 2007 to June 2014 at increased rate of 10% every year], the total rent payable at 10% increase from 2007 to 2014 by the petitioner is Rs.12,06,077.78 and the petitioner has already paid the total rent to the tune of Rs.9,96,293/-. From the said calculation, it is also obvious that the balance differential amount payable by the petitioner from July 2007 to June 2014 is Rs.2,09,784.78. The learned Senior counsel for the petitioner has brought to the notice of this Court that as per the conditional order of the learned Single Judge of this Court dated 29.06.2015, the petitioner had deposited a sum of Rs.5 Lakhs before the third respondent and the differential amount payable by the petitioner as stated above shall be adjusted from it and the balance amount shall be treated as interest payable to the respondents 3 & 4.

12. In view of the foregoing reasons, the Writ Petition stands disposed of. Consequently, connected Miscellaneous Petition is closed. There shall be no orders as to costs.

30.10.2025

Index: Yes/No
NCC : Yes/No
Order : Speaking/Non Speaking

DP

To

1.The Secretary to Government,
Union of India,
Ministry of Shipping, Road Transport & Highways,
Transport Bhavan, No.1, Parliament Street,
New Delhi.

2.The Tariff Authority for Major Ports (TAMP) with Director,
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