



W.P.No.18268 of 2025

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.05.2025

CORAM:

THE HONOURABLE MR. JUSTICE V.LAKSHMINARAYANAN

**W.P.No.18268 of 2025
and
WMP.Nos.20464 and 20468 of 2025**

G.Prakash

...Petitioner

Vs

The Managing Director
Tamilnadu State Transport Corporation
(Salem Corporation)
Ramakrishna Road,
Salem-636 007.

...Respondent

Prayer:Writ Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Certiorarified Mandamus to call for the entire records relating to the impugned tender Document dated 24.04.2025 in connection with Tender details in tender reference numbers. TNSTC/SLM/PUR/09/2025 and TNSTC/SLM/PUR/10/2025 both dated 05.05.2025 on the file of Respondent, quash the same and consequently direct the respondent to issue fresh tender document.



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For Petitioner : Mr.B.Manimaran
For Respondent : Mr.K.Raja
Standing Counsel

ORDER

This Writ Petition has been filed challenging the impugned tender Document dated 24.04.2025 in connection with Tender details in tender reference numbers: TNSTC/SLM/PUR/09/2025 and TNSTC/SLM/PUR/10/2025 both dated 05.05.2025 on the file of respondent and to quash the same and consequently direct the respondent to issue fresh tender document.

2. By consent of the parties, the writ petition is taken up for disposal at the time of admission stage itself.

3. The petitioner states that he is the proprietor of M/s.Unique Mobiles and Computers. He claims to be indulging in the business of advertisement in and around Salem region. The cause of action for the present petition is that the respondent had called for tenders for licensing of advertisements on the following:



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- 1) Rear side of bus body.
- 2) Back side of driver seat partition
- 3) Passenger top view fixed Glass.
- 4) Inside curved sheet in passenger top view fixed glass and roof.
- 5) Back side of passenger seat by fixing stickers except last 6 passenger seat (As is where is condition) in all town and mofussil buses of Salem and Dharmapuri Region excluding spare and A/c buses.

4. A perusal of the tender notification makes it clear that the if a person wants to participate in the tender process, he will have to pay a sum of Rs.1,90,000/- (Rupees One Lakh Ninety Thousand only) for Salem and Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) for Dharmapuri District as Earnest Money Deposit. The petitioner relies upon G.O.(MS)No.390 Finance (BPE) Department dated 27.09.2013 to urge that Government of Tamil Nadu has exempted SSI units from payment of Earnest Money Deposits in tenders regulating to Government Departments, State Government Corporations, local bodies, Co-operatives etc., He further points out for similar tenders held in Kumbakonam and Madurai, the insistence of Earnest Money Deposit of SSI units was dispensed with, relying upon the aforesaid G.O.



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5. Being a tender matter, I called upon the learned Standing Counsel Mr.Raja appearing for the respondents to get instructions. Mr.Raja reports that in terms of G.O., the Purchase Department of the respondent is entitled to inspect the unit and satisfy themselves on the line of activity pursued by the manufacturer, quality, production, capacity etc., even if the exemption from Earnest Money Deposit is granted.

6. As the Government of Tamil Nadu has taken a decision to exempt SSI units from payment of Earnest Money Deposit in the matters of tenders, SSI units will be entitled to the benefit of the same. A certificate enclosed in page 52 of the typed set of papers shows that the petitioner is an SSI unit which has been incorporated much before the tender was called on 01.03.2024. For the sake of the benefit being granted, the entire tender process which has come out to enhance the revenue of the Transport Department need not be stalled.



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7. In view of the above, this Writ Petition is disposed on the following terms:

(i) The respondent will accept the application made by the petitioner for the aforesaid tender without insisting upon Earnest Money Deposit of a sum of Rs.1,90,000/- (Rupees One Lakh Ninety Thousand only) for Salem and Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) for Dharmapuri District.

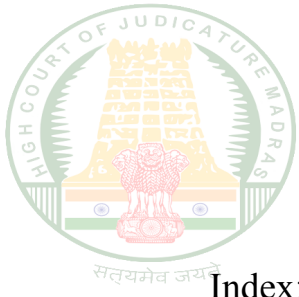
(ii) While receiving application or thereafter or if the petitioner is successful in obtaining the contract, the Purchase Department of the Respondent is entitled to inspect the unit and satisfy themselves on the line of activity, quality, production, capacity etc.

This Writ Petition is disposed of in the above terms. No costs. Consequently, connected Miscellaneous Petitions are closed.

16.05.2025

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Index: Yes/No

Speaking order/Non-speaking order

To

The Managing Director
Tamilnadu State Transport Corporation
(Salem Corporation)
Ramakrishna Road,
Salem-636 007.



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V.LAKSHMINARAYANAN,J.

arr

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