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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29-10-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 26579 of 2025
and W.M.P.Nos.29874, 29875 & 29877 of 2025
CNR: {HCMA011552592025}

State Secretary
Tamil Nadu Tasmac Virpanaiyaalargal Nala
Sangam, Regn No. Tntvrjcl2chetu -50-21-00006,
Head Office, 3/14-bajana Koil Street,
Chembarambakkam, Chennai 600 123

..Petitioner(s)

Vs

The Managing Director
Tamil Nadu State Marketing Corporaiton (tasmac)
Floor No 4 Thalamuthu Natarajan Maaligai,
Gandhi Irwin Road, Egmore Chennai 600 008

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus, Calling for the records in the Impugned circular RC No R2 / 94579 / 2025 dated 14.07.2025 in as much as it deprives a part of the wage increase i.e., Rs1000/- with effect from 01.04.2025 to 451 shop personnel and to direct the respondent to pay the above 451 shop personnel Rs.2000/- per month with effect from 01.04.2025 without any deduction / reduction.

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For Petitioner(s): Mr.S.KUMARASWAMY

For Respondent(s): MR.K.Moorthy, Standing counsel for (TASMAC)

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ORDER

The petitioner sangam, registered under the provisions of the Trade Unions Act, 1926, has filed this writ petition challenging the impugned circular dated 14.07.2025 issued by the respondent. By the said circular, a decision was taken to increase the salaries/wages of all TASMAC employees by Rs.2,000/-, except for 451 employees who were found to have been involved in Maximum Retail Price (MRP) violations exceeding Rs.10/- in its retail outlets.

2. The impugned circular was issued in light of an announcement made on the floor of the Assembly by the then Minister for Electricity, Prohibition and Excise, who had decided to uniformly increase salaries/wages by Rs.2,000/-.

3. It is further submitted that the identification of 451 personnel/employees/workers as having been involved in MRP violations exceeding Rs. 10/-, and 4,016 employees/workers/personnel in MRP violations below Rs. 10/-, is itself arbitrary and therefore liable to be interfered with. Apart

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from that, it is submitted that even the Rs. 1,000/- hike, which was to take effect on 01.04.2025, was withheld and subsequently decided to be paid only via another circular dated 13.07.2026 during the pendency of the present writ petition. It is submitted that even the policy decision in the circular dated 13.07.2026 has been implemented only with effect from 01.04.2026.

4. Learned counsel for the respondent submits that the impugned circular issued by the respondent is based on reports received from the Senior Regional Managers. These reports revealed that approximately 4,467 shop personnel were involved in MRP violations during 2024 and 2025. Out of these, 4,016 shop personnel were found to be involved in MRP violations of amounts below Rs. 10/-, while 451 were involved in violations of Rs. 10/- and above.

5. In this background, a uniform decision was taken to enhance the consolidated pay of the shop personnel as follows:-

(i) those who were not falling under the category of the 451 violators were to receive an increase of Rs. 2,000/-, in their salary; and

(ii) those 451 shop personnel involved in MRP violations in excess of Rs.10/- were to receive an increase of only Rs. 1,000/- in the monthly salary.

6. It is submitted that the higher incentives cannot be given to those who have indulged in higher MRP violations, thereby bringing disrepute to

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TASMAC. It is submitted, a conscious decision was taken to differentiate between employees who were not involved in MRP violations, those involved in violations below Rs. 10/-, and those involved in violations of Rs. 10/- and above.

7. It is further submitted that the policy decision reflected in the impugned circular is in any event subject to detailed administrative instructions and eligibility criteria, with an express objective of prohibiting misconduct on the part of the employees. Furthermore, the TASMAC Board, in its 2018th meeting held on 24.04.2025, authorized the Managing Director of TASMAC to implement this decision.

8. It is further submitted that in the impugned circular there is a reasonable classification and serves the legitimate objective of discouraging malpractices, which are detrimental to the image of the Respondent TASMAC among the consuming public at large. Finally, it is submitted that the principles of natural justice have not been violated. The action taken is merely an interim measure, without prejudice to any further disciplinary proceedings, and the 451 affected personnel will be afforded an opportunity of being heard in accordance with the proposed disciplinary action.

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9. I have considered the arguments advanced by the learned counsel for the petitioner and the learned counsel for the respondent. There cannot be any discrimination in the wage hike of the personnel of the respondent, TASMAC, some of whom are aligned with the petitioner sangam. Even if all 451 shop personnel are not members of the petitioner's association, it cannot be said that the petitioner lacks the legitimacy to represent the interests of those among the 451 employees who are impacted by the decision in the impugned circular of the respondent. Therefore, the 1st objection of the Respondent is over ruled insofar as writ petition being filed by the petitioner.

10. The wage hike must be uniform. In case any employee is found violating the prescribed norms, appropriate disciplinary proceedings can be initiated in accordance with the applicable rules and the terms and conditions of their employment. Under these circumstances, I am of the view that the discrimination in the impugned circular, introduced without prior disciplinary proceedings, cannot be countenanced.

11. Since the wage revision must be uniform, recovery of part of wage can be only by way of punishment imposed in accordance with disciplinary proceedings which may be initiated against these 451 shop personnel. However, merely because the Senior Regional Managers have submitted a report that 451 shop personnel have violated MRP prescription, *ipso facto*, will not justify a

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discrimination without corresponding imposition of a punishment in a disciplinary proceedings in accordance with the applicable rules and the terms and conditions of their employment.

12. At this stage, it is informed by the learned counsel for the respondent that disciplinary proceedings were indeed initiated, and the concerned employees have also been punished. This statement, made across the bar by the learned counsel for the respondent, is recorded. Therefore, there cannot be a double jeopardy or dual punishment—namely, a discriminatory wage revision in addition to the punishment under the disciplinary mechanism applicable to TASMAC employment.

13. Consequently, the impugned circular of the respondent is held to be arbitrary and discriminatory insofar as the 451 employees of the respondent, TASMAC, are concerned.

14. There shall be a direction to the respondent to revise the pay/wages of these 451 shop personnel on par with other serving shop personnel of the respondent, TASMAC. Consequently, there shall also be a direction to the respondent to release the arrears with effect from 01.04.2026.

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15. Therefore, this writ petition is dismissed on the above terms. There shall be no order as to costs. Consequently, the connected writ miscellaneous petitions are closed.

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Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
RNA

To

The Managing Director
Tamil Nadu State Marketing Corporaiton (tasmac)
Floor No 4 Thalamuthu Natarajan Maaligai,
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C.SARAVANAN, J.

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