



CNR: KAHC010468122022

NC: 2026:KHC:42098
RSA No. 1421 of 2022
C/W RSA No. 2163 of 2017

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 7TH DAY OF AUGUST, 2026

BEFORE

THE HON'BLE MR. JUSTICE V SRISHANANDA

REGULAR SECOND APPEAL NO.1421 OF 2022 (RES)
C/W REGULAR SECOND APPEAL NO. 2163 OF 2017

IN RSA No. 1421/2022

BETWEEN:

BHARATH PETROLEUM CORPORATION LIMITED
COMPANY, HAVING ITS REGISTERED OFFICE AT
BHARATH BHAVAN
4 AND 6 CURRIMBOY ROAD,
BALLARD ESTATE
MUMBAI- 400001

HAVING ITS TERRITORY
OFFICE AT COASTAL
TERMINAL NEAR,
APMC YARD, PANAMBUR
MANGALORE - 575 010
REPRESENTED BY ITS TERRITORY,
MANAGER (RETAIL) MR. AMOL BHOSALE,

...APPELLANT

Digitally
signed by (BY SRI. KUMAR N J, ADVOCATE)
MALATESH
K C

AND:

- Location: HIGH COURT OF KARNATAKA
1. AJITH M KARNAD
AGED ABOUT 69 YEARS
 2. ARAVIND M KARNAD
AGED ABOUT 65 YEARS
 3. SHANTHA M KARNAD
AGED ABOUT 60 YEARS



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RESPONDENTS NO.1 TO 3 ARE
THE CHILDREN OF LATE
MR. M.R. KARNAD
ALL ARE R/AT AJJARKAD
MOODANIDAMBOOR VILLAGE,
UDUPI TALUK- 576 101

...RESPONDENTS

(BY SRI GAUTAM S. BHARADWAJ FOR SRI VINAY KUTTAPPA,
ADVOCATES)

THIS RSA IS FILED UNDER SECTION 100 OF CIVIL
PROCEDURE CODE AGAINST THE JUDGMENT AND DECREE
DATED 08.07.2022 PASSED IN R.A.NO.3/2018 ON THE FILE
OF THE II ADDL. DISTRICT AND SESSIONS JUDGE, UDUPI.
DISMISSING THE APPEAL AND CONFIRMING THE JUDGMENT
AND DECREE DATED 11.04.2017 PASSED IN O.S.NO.14/2003
ON THE FILE OF THE ADDL. SENIOR CIVIL JUDGE, UDUPI.

IN RSA No. 2163/2017

BETWEEN:

BHARATH PETROLEUM CORPORATION LIMITED
HAVING ITS REGISTERED OFFICE AT
BHARATH BHAVAN 4
AND 6 CURRIMBHOY ROAD,
BALLARD ESTATE
MUMBAI-400001

REPRESENTED BY MR
C H VINOD
MAJOR

...APPELLANT

(BY SRI. KUMAR N J, ADVOCATE)

AND:

1. AJITH M. KARNAD
AGED ABOUT 69 YEARS,



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2. ARAVIND M KARNAD
AGED ABOUT 65 YEARS

3. SHANTHA M KARNAD
AGED ABOUT 60 YEARS,

RESPONDENTS NO.1 TO 3 ARE
ARE THE CHILDREN OF
LATE MR M R KARNAD

ALL ARE RESIDING AT AJJARKAD
MOODANIDAMOBOOR VILLAGE,
UDUPI TALUK-576 101

...RESPONDENTS

(BY SRI GAUTAM S. BHARADWAJ, ADVOCATE FOR R1 TO
R3)

THIS RSA IS FILED UNDER SECTION 100 OF CIVIL
PROCEDURE CODE, 1908 AGAINST THE JUDGMENT AND
DECREE DATED 11.04.2017 PASSED IN R.A.No.18/2010 ON
THE FILE OF THE ADDITIONAL SENIOR CIVIL JUDGE,
UDUPI, ALLOWING THE APPEAL AND SETTING ASIDE THE
JUDGMENT AND DECREE DATED 25.02.2010 PASSED IN
O.S.No.52/1999 ON THE FILE OF THE PRINCIPAL CIVIL
JUDGE, UDUPI.

THESE APPEALS, COMING ON FOR ADMISSION, THIS
DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE V SRISHANANDA



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ORAL JUDGMENT

These two appeals are filed by M/s. Bharat Petroleum Corporation Limited, challenging the judgment passed in R.A.No.3/2018 and R.A.No.18/2010 respectively.

2. Facts in the nutshell which are utmost necessary for disposal of the present second appeals are as under:

3. A suit for ejectment came to be filed by terminating the lease of the appellant by the owner on the ground of efflux of time, after issuing necessary legal notice.

4. Suit was resisted on the ground that there was an enactment, whereby all the properties held by erstwhile Burmah Shell (Acquisition of Undertakings in India) Act of 1976. Burmashal Company is to vest in M/s. Bharat Petroleum Corporation Limited. By virtue of said enactment, defendant contended that lease in favour of the Bharat Petroleum Corporation should be automatically renewed.

5. Learned Trial Judge after raising necessary issues, decreed the suit of the plaintiffs and directed ejectment of M/s. Bharat Petroleum Ltd from the suit property.



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6. A suit was also filed by M/s. Bharat Petroleum Corporation Limited before the Trial Court with a direction to renew the lease.

7. Learned Trial judge decreed the suit of M/s. Bharat Petroleum Corporation Limited in O.S.No.52/1999 against which the owner had preferred an appeal in R.A.No.18/2010.

8. Learned Judge in the First Appellate Court allowed the appeal of the owner and dismissed the suit of the M/s.Bharat Petroleum Corporation Limited.

9. Insofar as ejectment decree in O.S.No.14/2003 is concerned, M/s. Bharat Petroleum Corporation Limited had filed an appeal in R.A.No.3/2018.

10. Learned Judge in the First Appellate Court, after securing the records, dismissed the appeal of M/s.Bharat Petroleum Corporation Limited and confirmed the decree of ejectment.

11. Being aggrieved by two decrees which are detrimental to the interest of M/s. Bharat Petroleum Corporation Limited, these two appeals have been filed.



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12. Learned counsel for the appellant, Sri Kumar N.J., reiterating the grounds, urged in the appeal memorandum, would contend that the enactment namely, Burmah Shell (Acquisition of undertakings in India) Act, 1976, would create a right in favour of M/s. Bharat Petroleum Corporation Limited to seek for extension of lease and it is a statute that has been passed by the Central Government and therefore there should be a direction by the Courts to extend the lease.

13. Sri Kumar also contends that the plaintiff being the owner, having leased the property in favour of M/s. Bharat Petroleum Corporation Limited is also running the petrol bunk and virtually it is the plaintiff/owner who will be put to loss in as much as once there is a termination of the lease he will lose dealership on account of non availability of the land.

14. Therefore, it is in the interest of the plaintiff's owner himself that the lease is to be extended and sought for admitting the appeals on the following substantial questions of law in each of these appeals:

IN RSA 1421/2022



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"A. Whether the Court below erred in holding that the Burmah Act is not applicable to the facts of the present case?

B. Whether the Court below erred in upholding the Judgment and Decree passed by the Trial Court despite the Appellant having a statutory right to renew the lease?"

IN RSA 2163/2017

"A. Whether the Court below erred in holding that the Burmah Act is not applicable to the facts of the present case?

B. Whether the Court below erred in upholding the Judgment and Decree passed by the Trial Court despite the Appellant having a statutory right to renew the lease?"

15. Per contra, learned counsel for the respondent-owner supports the impugned judgments.

16. He would further contend that the enactment would not create a right for M/s. Bharat Petroleum Corporation Limited to get the extension of lease automatically and it is the owner if interested may extend the lease. But, in the case on hand, owner of the property is not interested in extending the lease and thus the decree of ejectment is just and proper.



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17. Insofar as losing of dealership is concerned, plaintiff contends that knowing the consequences of the ejectment decree, the suit has been filed. Therefore, there is no substance in the arguments put forward on behalf of the appellant and sought for dismissal of both the appeals.

18. Having heard the arguments of both sides this Court perused the material on record meticulously.

19. On such perusal of the material on record, it is to be noted that under the aforesaid enactment, there cannot be automatic renewal of the lease. All the holdings would save as per enactment that the existing lease is to be continued till its expiry by volition of the parties lease can be extended from time to time. Therefore, wherever the Burmah Shell company had the lease hold rights, it would get transferred to M/s. Bharath Petroleum Corporation Limited by the effect of enactment and it is not perpetual.

20. At any rate, the substantial rights of the parties which is the statutory rights under the Transfer of Property Act by which the lease has been created by the owner in favour of



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the appellant - M/s. Bharath Petroleum Corporation Limited cannot be compelled to be extended after the efflux of time.

21. Therefore, termination of the lease and seeking and filing the suit for ejectment which came to be decreed by Trial Court, confirmed by the First Appellate Court, needs no interference by this Court having regard to the scope of Section 100 of Code of Civil Procedure.

22. Consequently, the direction which was issued by the Trial Court, set aside by the First Appellate Court in R.A.No.18/2010 also needs no interference.

23. Accordingly, the following:

ORDER

- (i) Admission is declined.
- (ii) Appeals are dismissed.

**Sd/-
(V SRISHANANDA)
JUDGE**

MR
List No.: 1 SI No.: 66