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W.P.No.8882 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE : 13.09.2024

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THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P.No.8882 of 2024 and

WMP Nos.9887, 9888 of 2024

M/s Sriram & Co., Partnership Firm,
represented by its Partner,
N.R.Nagaraj, s/o Rangasamy,
S.No.76A, Veerapandi Village,
Gobichetty Playam 638 452.

... Petitioner

Vs.

1. The Joint Chief Controller of Explosives,
Petroleum & Explosives Safety Organisation,
2nd floor, Shastri Bhavan,
No.26, Haddows Road, Nungambakkam,
Chennai 600 006.

2. The District Revenue Officer,
Erode District, Perundurai Main Road,
Opp. District Court, Erode 638 011.

3. M/s Bharat Petroleum Corporation Ltd.,
Rep. by its Territory Manager (Retail),
Bharat Petroleum Corporation Ltd.,
Irugur TOP Installation, Ravathur (PO),
Irugur (Via), Coimbatore 641103.

4. The Cosmopolitan Club,
Rep. by the Secretary, No.232, Sathy Main Road,
Gobichettypalayam, Erode District 638 452.

... Respondents



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PRAYER: Writ Petition filed under Article 226 of Constitution of India seeking for issuance of writ of Certiorari to call for the records relating to the order dated 11.03.2024 bearing reference No.P/SC/TN/14/1470 (P33926) on the file of the first respondent and quash the same.

For Petitioner : Mr.G.Masilamani, Senior Counsel
for T.Sathiyamoorthy

For Respondents : Mr.Thirumalaisamy, Central Govt.
Senior Counsel - for first respondent
Mr.Vadivel Deenadayalan,
Addl.Govt.Pleader for second respondent
Mr.V.Anantha Natarajan -for third
respondent

Mr.V.B.R.Menon - for fourth respondent

ORDER

This writ petition has been filed to quash the order dated 11.03.2024 bearing reference No.P/SC/TN/14/1470 (P33926), issued by the first respondent.

2. The petitioner is a partnership firm and a licence was issued with the dispensing pump and selling license by the third respondent, namely, M/s Bharat Petroleum Corporation Ltd. to operate a petroleum



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retail outlet in S.No.76/A at Veerapandi Village, Gobichettypalayam in the year 2014 and subsequently, it was renewed upto 31.01.2028, vide agreement dated 04.02.2023. The said land has been leased to the third respondent for a period from 01.01.1997 to 31.03.2023 by the fourth respondent herein, viz., M/s Cosmopolitan Club, Gobichettypalayam. The first respondent had renewed the explosive license vide order dated 20.12.2022 to store petroleum products in the said land and its valid is upto 31.12.2025.

2.2. The land owner had started negotiations for renewal of the lease, demanding higher lease rent and hence renewal of lease agreement had not been finalised. In such circumstances, the land owner, filed a writ petition No.902 of 2024 to cancel the final explosive licence No.P/SC/TN/1470 (P33926) dated 20.12.2022 and also the NOC issued by the District Revenue Officer, Erode, in which, the petitioner herein has been arrayed as fourth respondent. Pending writ petition, the first respondent had passed an order on 11.03.2024, cancelling the licence to store petroleum products in the petitioner's retail outlet in the said land, even though the said licence is valid till 31.12.2025. On account of the same, the third respondent had stopped supplying petrol and diesel to the



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petitioner's bunk from 19.03.2024.

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2.3. According to the petitioner, the said impugned order dated 11.03.2024 has been passed, without following the office memorandum dated 06.02.2024, issued by the Government of India Ministry of Petroleum and Natural gas and as per the above memorandum, the first respondent is bound to consult all stakeholders in public interest, before taking any decision in respect of the cancellation of licence to store petroleum products in respect of sites, where the lease period has expired. In the light of the validity period of the licence issued by the first respondent till 31.12.2025; and also the license to sell the petroleum products till 31.01.2028; the petitioner had invested several lakhs of rupees for establishment of necessary infrastructure and stored various petroleum products, about Rs.15,26,273, after paying their full value. Hence this writ petition.

3. Heard the learned counsel for the petitioner and the learned counsel for the respondents 1 to 4.

4. Admittedly, the petitioner partnership firm is the dealer of the



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third respondent viz., M/s Bharat Petroleum Corporation Limited to operate a petroleum retail outlet in the subject matter of the property and the fourth respondent/Cosmopolitan Club is the owner of the property.

5. Before filing of the instant writ petition, the fourth respondent, viz., Cosmopolitan Club, has filed W.P.No.902 of 2024 seeking direction to the first and second respondent herein to cancel the final explosive licence dated 20.12.2022, valid upto 31.12.2025 and the corresponding no objection certificate issued to the Bharat Petroleum Corporation limited and the petitioner herein for operating the petroleum retail outlet.

6. In the said writ petition in W.P.No.902 of 2024, Bharat Petroleum Corporation Limited /third respondent has filed an affidavit stating as follows:-

4. I respectfully submit that during the pendency of the writ petition, the first respondent, PESO cancelled the license on 11.03.2024 and the second respondent the District Revenue Authority, cancelled the NOC issued in favour of the third respondent. In spite of the efforts taken by this respondent to sort out the issues with the petitioner for renewal of lease is not workable and expectation of rentals by the petitioner is not viable to this respondent.

5. I respectfully submit that as on date, 13,000 liters of petrol and diesel kept in storage in the Retail Outlet, it is therefore humbly



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prayed that the Hon'ble Court may please to direct the authorities/Respondents 1 and 2 for granting a temporary license for a period of 30 days, to sell the products in the retail outlet.

6. I respectfully submit that the retail outlet is in operation for the past 60 years, it requires all safety and precautionary measures to remove the structures, tanks and all items in the retail outlet, we will take all necessary approvals from the competent authorities to remove the products, structures after taking due approvals and following the procedures, we will complete all the procedures and handover the site/land to the petitioner within a period of 4 months and to pay rentals.

7. For the reasons stated above, it is therefore humbly prayed that this Hon'ble Court may be pleased to pass appropriate directions.

7. Further, in the said W.P.No.902/2024, the third respondent had agreed to hand over the site/land to the land owner/ Cosmopolitan Club, however, sought, four months time, in order to remove the structures, tanks and all items in the retail outlet, after getting due approvals. Further, it was agreed to pay a sum of Rs.75,000/- (Rupees Seventy Five Thousand) per month towards the rent, which was also accepted by the land owner/Cosmopolitan Club.

8. Based on the submission made by the counsel on either side, the third respondent was directed to pay the rental arrears to the land owner,



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calculating at Rs.75,000/- per month from 01.04.2023 to 30.09.2024, on or before 31.10.2024; and also directed to pay a sum of Rs.75,000/- towards monthly rent, for a period of four months from 01.10.2024 to 31.01.2025; and also the third as well as the fourth respondent (petitioner herein) were directed to vacate the premises and hand over the same to the land owner on 31.01.2025.

9. At this juncture, learned counsel for the petitioner submitted that the petitioner is ready and willing to hand over the vacant premises to the land owner/ Cosmopolitan Club, within four months time and till such time, the petitioner may be permitted to operate the petroleum outlet in the subject matter of the property and also the explosive licence as well as the no objection certificate issued by the authorities concerned to operate the petroleum outlet may be extended.

10. Considering the above, it is ordered as follows :-

i) The petitioner and the third respondent/M/s Bharat Petroleum Corporation Limited are directed to vacate the premises and hand over



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the same to the fourth respondent on 31.01.2025.

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ii) The Explosive Licence issued by the first respondent and the No objection Certificate issued by the second respondent shall be extended during the said period.

11. With the above directions, this writ petition is disposed of. There shall be no order as to costs. Connected WMP No.9887 and 9888 of 2024 are closed.

13.09.2024

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Index : Yes / No

Internet: Yes/No

To

1. The Joint Chief Controller of Explosives,
Petroleum & Explosives Safety Organisation,
2nd floor, Shastri Bhavan,
No.26, Haddows Road, Nungambakkam,
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