

W.P. No. 5732 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.07.2025

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THE HONOURABLE MR.JUSTICE N. ANAND VENKATESH

W.P. No. 5732 of 2022
and
W.M.P. No. 5818 of 2022

Saheli Exports Pvt. Ltd.,
rep., by authorised signatory
No.25, Sir Madhavan Nair Road,
Mahalingapuram,
Nungambakkam,
Chennai – 600 034.

... Petitioner

Vs.

1.The Union of India,
Represented by the Deputy Secretary to the Government of India,
Ministry of Petroleum & Natural Gas,
Shastri Bhawan,
New Delhi – 110 001.

2.Gail (India) Limited,
Gail Building,
16, Bhikaji Cama Place,
R.K. Puram, Ring Road,
New Delhi – 110 066.

3.Gail (India) Limited,
Represented by Zonal General Manager,
7 A, Kences Towers, No.1, Ramakrishna Street,
North Usman Road, T.Nagar,
Chennai – 600 017.

... Respondents



W.P. No. 5732 of 2022

Writ petition is filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, to call for the records of the first respondent in F.No. L-12013/2/2015-GP-I dated 11.09.2020 by which the allotment of natural gas to the petitioner made in the year 2000 vide allotment letter dated 05.06.2000 was cancelled, quash the same and consequently direct the first respondent to restore the original allotment of supply of gas made to the petitioner.

For Petitioner : Mr. Abishek Jenasenan
For Respondents : Mr. M. Ajmal Khan,
Senior Counsel for R2 & R3
Ms. Pooja Jain
for M/S. Giridhar & Sai

ORDER

This Writ Petition has been filed challenging the impugned proceedings of the first respondent dated 15.09.2021 affirming the earlier order dated 11.09.2020 by which the allotment of natural gas to the petitioner made in the year, 2000 stood cancelled.

2. The case of the petitioner is that they requested the first respondent for allotment of natural gas for generating power to use it in a steel plant. According to the petitioner, while the first respondent allotted natural gas, it was inaccurately stated that the allotment is for manufacture of steel in the steel plant. The petitioner was also directed to execute the contract with the second respondent in this regard. The term of contract came to an end on 31.12.2015 and the petitioner exercised their



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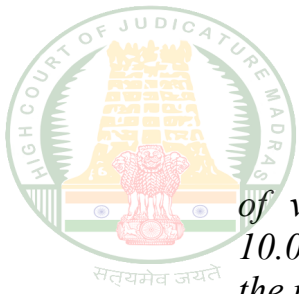
option to extend the term of contract. Several representations were made in this regard and the supply of natural gas was also stopped. Ultimately, the petitioner approached this Court and filed the writ petition and pursuant to the order passed by this Court, the first respondent cancelled the domestic gas allocation to the petitioner on the ground that the petitioner has acted in violation of the purpose for which natural gas was allocated and this order was affirmed by the impugned communication dated 15.09.2021. Aggrieved by the same, the present writ petition has been filed before this Court.

3. When the writ petition came up for hearing on 10.06.2025, it was brought to the notice of this Court that proceedings were initiated under Insolvency and Bankruptcy Code and an order of liquidation was passed. Later, the petitioner company was purchased as a going concern. Accordingly, the learned counsel sought for time to take instructions.

4. The matter was once again listed for hearing on 15.07.2025 and the following order came to be passed by this Court: -

“When the matter came up for hearing on 10.06.2025, it was informed to this Court that proceedings were initiated under IBC and an order of liquidation has been passed. Hence, this Court directed the learned counsel for the petitioner, who was appearing then to take instructions as to whether anything survives in this writ petition for consideration.

2. Today, when the present counsel has come by way of change



of vakalat, this Court pointed out the earlier order passed on 10.06.2025 based on the representation made by the then counsel for the petitioner.

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3. The learned Standing Counsel appearing on behalf of the second and third respondents submits that since the matter has become infructuous, the second and third respondents did not proceed to file a counter in this case.

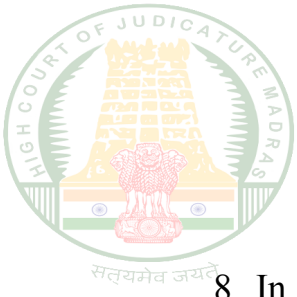
4. The learned counsel for the petitioner seeks time to get instructions.

5. Post this writ petition on 22.07.2025.”

5. When the writ petition was taken up for hearing today, the learned counsel for the petitioner submitted that the company exists since it was purchased as a going concern and therefore, whatever rights enured in favour of the petitioner can be continued by the new management.

6. Mr.Ajmal Khan, learned Senior Counsel appearing on behalf of the second and third respondents submitted that the agreement came to an end in the year 2015 itself and even, if the petitioner wants to renew the contract, the second and third respondents cannot be compelled to enter into an agreement with the petitioner.

7. Learned Central Government Standing Counsel appearing on behalf of the first respondent by relying upon the counter affidavit filed by first respondent submitted that there were valid grounds for cancelling the supply of natural gas to the petitioner and that apart, the first respondent cannot compel the second and third respondents to supply natural gas to the petitioner.



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8. In the light of the above development and in the light of the fact that the agreement has come to an end in the year 2015 and the second and third respondents are not willing to enter into any contract with the petitioner, no useful purpose will be served in dealing with the writ petition on merits. If the petitioner wants supply of natural gas, it is left open to them to submit a fresh application before the first respondent and the same will be dealt with on its own merits and in accordance with law.

9. This Writ Petition is disposed of with the above terms. Consequently, connected miscellaneous petition is closed. There shall be no order as to costs.

29.07.2025

Index :Yes/No
Neutral Citation :Yes/No
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N. ANAND VENKATESH, J.

AT

To

1.The Deputy Secretary to the Government of India,
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Ministry of Petroleum & Natural Gas,
Shastri Bhawan,
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