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W.A No. 3254 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.11.2025

CORAM

THE HON'BLE MR JUSTICE R.SURESH KUMAR

AND

THE HON'BLE MR JUSTICE HEMANT CHANDANGOUDAR

W.A No.3254 of 2025

and

C.M.P.No.26752 of 2025

The Divisional Manager
Indian Oil Corporation Limited
Tiruchirappalli Divisional Office
"Triveni" 3rd Floor
B-35, Shastri Road
Thillai Nagar, Tiruchirappalli - 620 018.

..Appellant

Vs

1. A.Alawdeen
S/o.K.Abdul Salam Rowther
No.39/17, V.O.C.Street
Villupuram - 605 602.
2. G.Velumurugan
Aswin & Aswini Quality Fuels
Dealer - Indian Oil Corporation Ltd.,
Chennai Main Road, Kamala Nagar
Villupuram - 605 502.

..Respondents



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Writ Appeal is filed under Clause 15 of Letter Patent to set aside the order 16.04.2025 in W.P.No.3507 of 2025 and consequently, dismiss the writ petition in W.P.No.3507 of 2025.

For Appellant : Mr.Mohammed Fayaz Ali

For Respondents : Mr.V.B.R.Menon
for R1

J U D G M E N T

(Made by **HEMANT CHANDANGOUDAR, J.**)

The challenge in this intra-Court Appeal is to the order dated 16.04.2025 passed by the learned Single Judge in W.P. No. 3507 of 2025. By the said order, the learned Single Judge granted four months' time to the appellant/first respondent and the second respondent to vacate and hand over possession of the subject property to the first respondent/writ petitioner.

2. The first respondent/writ petitioner leased out the subject property to the appellant and the second respondent under a lease deed dated 02.07.2007 for a period of 17 years and 4 months, i.e., up to 08.11.2024. The lease period has since expired, and the explosive licence issued to the appellant and the second



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respondent was also cancelled. The first respondent/writ petitioner refused to renew the lease and requested the appellant and the second respondent to vacate the property. As they failed to comply, the writ petitioner was constrained to approach this Court by filing the writ petition.

3. The learned Single Judge, after hearing the parties, passed the impugned order.

4. Mr. Mohammed Fayaz Ali, learned counsel appearing for the appellant/first respondent, assailed the impugned order contending that the writ petition was not maintainable, as the dispute pertains to rights over an immovable property. According to him, such disputes involve adjudication of disputed questions of fact and should be decided only by the jurisdictional Civil Court in an appropriate suit, and not under the extraordinary writ jurisdiction of this Court under Article 226 of the Constitution of India.

5. Per contra, Mr. V. B. R. Menon, learned counsel for the first respondent/writ petitioner, supported the order of the learned Single Judge. He submitted that the appellant, being an instrumentality of the State within the



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meaning of Article 12 of the Constitution, is expected to act fairly, reasonably, and in accordance with law, and cannot indefinitely continue in unauthorized occupation of private property after the expiry of the lease.

6. We have considered the rival submissions of the learned counsel for the parties and have carefully perused the materials on record.

7. It is an undisputed fact that the lease expired on 08.11.2024 by efflux of time. The competent licensing authority has also revoked the licence earlier granted to the appellant and the second respondent for operating a petroleum outlet in the subject property. It is therefore admitted that no commercial activity has been carried on in the premises by the appellant since the expiry of the lease.

8. In such circumstances, where the lease term has expired, the lessor has declined renewal, and both the licence and NOC have been cancelled, the appellant, being a State instrumentality, is duty bound to act as a model litigant and to restore possession of the property to its lawful owner. The appellant cannot compel the writ petitioner to undergo the ordeal of a civil suit for recovery of possession.



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9. It is well settled that the State and its instrumentalities must act with constitutional fairness and propriety, and cannot engage in unjustified retention of private property without legal sanction. The continued occupation of the subject property by the appellant, despite the cessation of business operations and expiry of the lease, is arbitrary, unreasonable, and contrary to equitable principles.

10. The learned Single Judge has placed reliance on the judgment of the Hon'ble Supreme Court in *C. Albert Morris v. K. Chandrasekaran (2006) 1 SCC 228*, wherein it was held that once the licence itself has ceased to exist, a State entity cannot plead that it may continue to occupy the premises until the owner seeks redress before a Civil Court. The learned Single Judge has also referred to the judgment of the Hon'ble Supreme Court in *National Company v. Territory Manager, Bharat Petroleum Corporation Ltd. (2021) 13 SCC 121*, wherein a similar view was taken.

11. The learned Single Judge, while exercising jurisdiction under Article 226 of the Constitution of India, has not ventured into any disputed questions of fact but has granted an equitable and consequential relief flowing from admitted



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facts. The impugned order is neither arbitrary nor perverse and does not suffer from any illegality warranting interference in this appeal.

12. Accordingly, the Writ Appeal stands dismissed. The appellant and the second respondent are granted 30 days' time from today, i.e., on or before 12.12.2025, to vacate and hand over possession of the subject property to the first respondent/writ petitioner. Consequently, the connected miscellaneous petition is closed. There shall be no order as to costs.

(R.S.K.,J)

(H.C., J)

13.11.2025

Index : Yes / No

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