



W.P.No.28563 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 09.10.2025

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THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P.No.28563 of 2023

and W.M.P Nos.28117 and 28118 of 2023

A. Sundarapandian
S/o.Shri P.Arunachalam

... Petitioner

Vs.

1. Indian Oil Corporation Limited,
Represented by the Executive Director and
State Head in Tamil Nadu
No.139, Indian Oil Bhavan
Nungambakkam High Road,
Nungambakkam, Chennai – 600 034.

2. The Divisional Manager,
(Marketing Division),
Salem Divisional Office,
No.234, 1st Floor, NH – 7,
Salem, Bangalore Bypass Road,
Kondalampatti, Salem – 636 010.

... Respondents

Prayer : The Writ Petition is filed under Article 226 of the Constitution of India, to issue a Writ of Certiorarified Mandamus to call for the records on the file of the 2nd respondent in (1) Proceedings Ref.No. SLMDO/4104/SL01 / 2022-23 / 101998 dated 09.10.2023 and the records on the file of the 2nd respondent and (2) Ref. SLMDO/4104/SL01/2022-23 /101998 DATED 28.11.2023 and the records on the file of the 2nd respondent herein in regard to the Notification for appointment of Retail Outlet Dealership in the State of



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Tamil Nadu by Indian Oil Corporation Limited under SC Category in Namakkal Rural of Salem Division of the Respondent Corporation, as published by the 2nd respondent herein on 28.06.2023 and quash the same and to direct the respondents herein to forthwith relocate the two 20 KL storage tanks at the land offered by the Petitioner at S.F.No. 150/2B1 at Kabilakuirichi Village, Kabilarmalai Panchayat Union, Paramathivelur Taluk, Namakkal District and to commission the dealership of the petitioner for the Retail Outlet of the Respondent Corporation in the aforesaid location.

(Prayer was amended as per order dated 25.03.2024 in W.M.P No.4299 of 2024)

For Petitioner : Mr.M. Ravi
For Respondents : Mr. Mohamed Fayaz Ali

ORDER

This writ petition has been filed, challenging the proceedings of the 2nd respondent 09.10.2023; the records on the file of the 2nd respondent dated 28.11.2023 and the notification dated 28.06.2023 as published by the 2nd respondent herein.

2. The case of the petitioner is that the petitioner applied for Retail outlet dealer by offering the land obtained at Kabilarmalai. The entire process has been over and he has been declared as selected and after lengthy thorough process, including obtaining no objection certificate from the District Revenue Officer and the initial explosive license, from the Ministry of Explosives, the petitioner had complied all the conditions and paid all the amounts and had



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entered into a lease agreement upon condition that even if the lease agreement is terminated at any point of time, he has to pay the rent for a period of 20 years, after incurring huge expenses by erecting a compound wall and land filling. The 2nd respondent had also installed the two 20 kilo litres storage tank in the petitioner's land and the remaining cost is only for commissioning the project. At that time, the respondents cancelled the entire advertisement. Challenging the same, the present writ petition is filed.

3.The learned counsel for the petitioner would submit that, admittedly the petitioner is the successful dealer which was confirmed by the 2nd respondent and he has also incurred huge expenses by erecting the compound wall and land filling and for excavating the mud for the purpose of erecting the storage tank by the 2nd respondent. In the said land, the respondent Corporation also erected the storage tank. It is only for commissioning the project. The petitioner has also obtained No Objection Certificate from the District Revenue Officer and explosive license from the Explosive Authority and invested huge amount of Rs.30,00,000/- in the land. At later point of time, cancelling the notification is not certainable. Accordingly, he prayed for appropriate directions.



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4. The learned counsel for the respondents would submit that in the advertisement, the name of the Village was wrongly mentioned and therefore, the entire advertisement was cancelled in which no prejudice would be caused to the petitioner. He would further submit that a fresh auction will be conducted and the petitioner is entitled to participate in the fresh auction. However, he has not participated and hence, he filed this writ petition. In support of his contention, the learned counsel relied upon the decisions of the Hon'ble Supreme Court in the case of i) **Maa Binda Express Carrier and Another v. North-East Frontier Railway and others** reported in (2014) 3 Supreme Court Cases 760 and ii) **Haroon A.K. v. Indian Oil Corporation Ltd., represented by its Managing Director and another** reported in 2021 SCC OnLine Ker 1875. Accordingly, he prayed for dismissal of the writ petition.

5. Heard the learned counsel on either side and perused the materials on record.

6. The facts of the present case is not in dispute. Admittedly, the petitioner is a successful Retail out dealer, pursuant to the advertisement made by the respondent Corporation. It is also equally undisputed fact that pursuant



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to his selection, the petitioner obtained No Objection Certificate from the

District Revenue Officer and Explosive License from the Explosive Authority.

Apart from that, he constructed a compound wall and also incurred the land filling charges. Apart from that, the 2nd respondent had also erected the storage tank in the petitioner's land and right from the year 2019, the petitioner did not use the tank as on date. At later point of time, cancellation of the advertisement is not certainable. In view of the above, the judgments relied upon by the respondents is not applicable to the case on hand. Therefore, the impugned order of the 2nd respondent is liable to be quashed and the same is hereby set aside.

7. In view of the above, the 2nd respondent is directed to extend the Retail Outlet Dealership to the petitioner within a period of four weeks from the date of receipt of a copy of this order, failing which, the 2nd respondent is directed to pay a sum of Rs.30,00,000/- as compensation to the petitioner.

8. With the above direction, this writ petition is allowed. No costs. Consequently, connected miscellaneous petitions are closed.

09.10.2025



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Index: Yes/ No

Speaking Order: Yes/ No

NCC: Yes/ No

To

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M. DHANDAPANI, J.

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