



WEB COPY



WP No. 6745 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13-03-2026

CORAM

THE HON'BLE MR JUSTICE M.DHANDAPANI

WP No.6745 of 2026

and

W.M.P.Nos.7318 to 7320 of 2026

1. M/s.Gas Links,
Rep.by its Partner,
Afroz Sheriff,
No.240/3, Poonamallee High Road,
Aminjikarai,
Chennai – 600029.
2. Afroze Sheriff,
W/o. G.M.Syed Nurullah Sheriff,
Partner - M/s.Gas Links,
No.76/1, Ormes Road,
Kilpauk, Chennai -600010.
3. G.M.Syed Nurullah Sherrif,
S/o.Syed Gulam Majeed,
Sleeping Partner -M/s. Gas Links,
No. 76/1, Ormes Road,
Kilpauk, Chennai -600010.

..Petitioner(s)

Vs

1. Indian Oil Corporation Limited,
Represented by its Chief General Manager,
(LPG Marketing Division Southern Region),
Indian Oil Bhavan, 139, Uthamar Gandhi Salai,
(Nungambakkam High Road),
Chennai - 600 034.



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(R1 cause title amended vide order dated
09.03.2026 made in W.M.P.No.8975/2026 in
W.P.No.6745/2026)

2. Y. Syed Chand Basha
S/o. Late Syed Yaacob
Partner - M/s. Gas Links,
Ceebros Shyamal Gardens,
Block -4/4A, Saligramam,
Chennai - 600093.
3. Union Bank of India,
Shenoy Nagar Branch,
Kanniammal Koil Street,
Shenoy Nagar,
Chennai - 600030 .

...Respondent(s)

Prayer : Writ Petition under Article 226 of the Constitution of India praying for
a Writ of Certiorari, calling for the records relating to the proceedings of the 1st
Respondent in TNSO/LPG/GASLINKS dated 12.02.2026 and quash the same.

For Petitioners : Mr.G.Rajagopalan,
Senior Counsel
for M/s.G.R.Associates

For Respondent(s): Mr.M.Mohammed Fayaz Ali
Standing Counsel – for R1
Mr.S.Vijayakumar
Senior Counsel
for M/s.P.C.Harikumar Associates
for R2



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ORDER

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The first petitioner is a partnership firm and the petitioners 2 and 3 are the partners. The challenge made in this writ petition is to the suspension of LPG Distributorship Agreement dated 11.04.2001 made in favour of the petitioner Firm.

2. The brief facts necessary for disposal of the present writ petition are that, the petitioners are partners of M/s.Gas Links, a partnership firm operating a LPG dealership since 1985. There were certain issues between the partners, due to which the second respondent, who was one of the partners, refused to sign the cheques, which in turn, hit the business operations of the petitioner firm. In this regard, an arbitration award was passed, which is also under challenge before this Court and the same is pending. While so, pursuant to the meeting held with the first respondent Corporation on 30.01.2026, a resolution was passed authorizing the second petitioner to sign cheques, in order to sort out the business operations issue. However, the impugned order suspending the LPG distributorship was passed by the respondent Corporation on 12.02.2026, which was received by the petitioner on 14.02.2026. Challenging the same, the present writ petition has been filed.



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3. Learned Senior Counsel appearing for the petitioners submits that, it is not in dispute that there were some issues between the partnership, which ended up in arbitration proceedings and the arbitration award also is under challenge before this Court. However, in order to ease out the issues and to make the business operations smooth, pursuant to the meeting held with the first respondent Corporation, the second petitioner has been authorised to sign the cheques. However, all of a sudden, to the shock and surprise of the petitioners, the LPG distributorship itself has been suspended by the first respondent Corporation, without giving a show cause notice before passing such an order and therefore, it is violative of the principles of natural justice. Even according to the impugned order, the backlog period is shown as between 01.01.2026 to 11.02.2026 and therefore, such a harsh decision ought not to have been taken by the first respondent Corporation, without even giving an opportunity to the petitioner to put forth their case. He further stated that the main reason for the backlog was due to the non-cooperation of the second respondent in signing the cheques and if the cheques were signed, the problem would not have arisen at all, giving rise to such a situation. Therefore, the petitioner Firm has passed a resolution authorising the second petitioner to sign the cheques, which were not



taken into account by the first respondent Corporation. Therefore, learned Senior Counsel prays that the impugned order be quashed.

4. Heard the learned counsel for the parties and perused the materials place on record.

5. Admittedly, there has been some issues with regard to signing of cheques between the partners i.e., petitioners 2 and 3 with the 2nd respondent, and in this regard, there has been arbitration award passed, against which arbitration OP is filed and pending before this Court. At the time of admission of the writ petition, this Court, while directing the petitioners to resolve the dispute with the second respondent with respect of signing of cheques, has granted an interim order. The impugned order came to be passed soon after the meeting with the petitioner firm has been held at the respondent Corporation office on 30.01.2026, in which the third petitioner, who is the husband of the second petitioner and the second respondent had participated. Even pursuant to the meeting since no agreement has reached between the partners, a resolution came to be passed by the petitioners 2 and 3 being majority of the partners, authorizing the second petitioner to sign the cheques. However, the impugned



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order came to be passed without giving any prior notice to the petitioners all of a sudden, which has hindered the business operations and commitments of the partnership firm. Therefore, solely on the ground of violation of principles of natural justice, the impugned order is liable to be interfered with. Accordingly, the writ petition is allowed and the impugned order is set aside. The first respondent Corporation shall give an opportunity of hearing to both sides and thereafter take any appropriate decision. No costs. Consequently, connected miscellaneous petitions are closed.

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Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

ssb



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To

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