



WEB COPY



W.P. No.30510 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01.04.2026

CORAM:

THE HON'BLE MR. JUSTICE M. DHANDAPANI

W.P. No.30510 of 2025

and

W.M.P. No.10412 of 2026

A.Nivas

..Petitioner(s)

Vs

1. The General Manager (Retail & Sales)
Indian Oil Corporation Ltd.
Oil Bhavan, Nungambakkam, Chennai-600 034.
2. The Chief Divisional Retail Sales Manager,
Indian Oil Corporation Ltd., Marketing Division,
Trichy Divisional Office, III Floor, B-35,
Sastri Road, Thillai Nagar, Trichy-620 018.
3. The Divisional Retail Head
Indian Oil Corporation Ltd., Marketing Division,
Trichy Divisional Office, III Floor, B-35,
Sastri Road, Thillai Nagar, Trichy, -620 018.
4. The Joint Chef Controller of Explosives
Petroleum and Explosives, Safety Organisation
(PESO), A & D Wing,
Block – 8, 2nd Floor, Sastri Bhavan
No.26, Haddows Road, Nungambakkam,
Chennai-600 006.
5. The Addl. District Magistrate,
District Revenue Officer, Cuddalore District,
Cuddalore

..Respondent(s)



W.P. No.30510 of 2025

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for the issuance of a Writ of Mandamus directing the respondents 1 to 3 to Award Dealership in petitioner favour for establishing the Retail Outlet -MS/HSD B Site Kisan Seva Kendra Dealership in the land comprised in Survey No.16/1 Kandarakottai Village, Panruti Taluk, Cuddalore District-607 205 based on the No Objection Certificate by the Executive Engineer, Water Resource Organisation, Vellaru, Irrigation Division, Vridhachalam, within the time fixed by this Honble Court

For Petitioner : Mr.K. Premkumar
For Respondents : Mr.Mohammed Fayaz Ali for R1 to R3
Mr.T. Srikrishna Bhagavan for R4
Mr.M. Rajendiran
Addl. Govt. Pleader for R5

ORDER

This writ petition has been filed seeking issuance of a Writ of Mandamus directing the respondents 1 to 3 to award dealership in favour of the petitioner for establishing a Retail Outlet (MS/HSD 'B' Site Kisan Seva Kendra) at Survey No.16/1, Kandarakottai Village, Panruti Taluk, Cuddalore District, based on the No Objection Certificate issued by the Executive Engineer, Water Resources Department.

2. It is the case of the petitioner that he was selected by the 2nd respondent pursuant to an advertisement issued in the year 2014 for allotment of



a petroleum retail outlet dealership. A Letter of Intent was issued on 05.04.2018 in favour of the petitioner. It is further stated that subsequently, the petitioner's father purchased the subject land on 07.10.2022 and complied with all statutory requirements.

3. It is further stated that the District Collector, Cuddalore, issued No Objection Certificate on 28.05.2021 under Rule 144 of the Petroleum Rules, 2002. Further, the Executive Engineer, Water Resources Department, by communication dated 02.07.2024, certified that the canal (Ootru Vaikkal) is situated at a distance of 63 meters from the proposed site and raised no objection.

4. However, it is the grievance of the petitioner that the proposal forwarded to the 4th respondent (PESO) was rejected on the ground that a canal is situated within the prohibitory distance (closed to 30 meters) from the site, based on the sketch furnished by the 2nd respondent. According to the petitioner, he complied with all statutory requirements and has been awaiting for issuance of award of dealership, that too, when the authorities have categorically certified that the canal is situated at a distance of 63 meters, contrary to the said certification, the 2nd respondent has prepared a sketch showing the canal within 30 meters. Further it is stated that without any supporting material, the said sketch was forwarded to the 4th respondent,

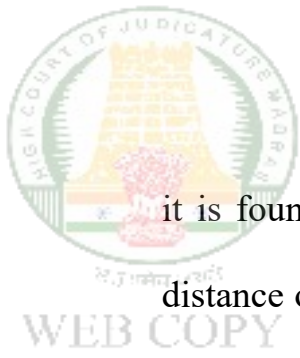


W.P. No.30510 of 2025

leading to rejection of approval. In the above circumstances, the petitioner has approached this Court by filing this writ petition seeking appropriate directions.

5. Learned counsel for the petitioner submitted that as per CPCB guidelines dated 16.08.2021, the minimum prohibitory distance from water body is 50 meters, whereas the said canal is situated at a distance of 63 meters from the proposed site, which can be evidenced from the report dated 02.07.2024 issued by the Executive Engineer, Water Resources Department. It is the strong argument of the petitioner counsel that the 2nd respondent has prepared a sketch showing the canal within 30 meters without any supporting material and forwarded the same to the 4th respondent, based on which, the proposal was rejected. Hence, the sketch prepared by the 2nd respondent is arbitrary and illegal and thus the action of the 4th respondent in rejecting the approval submitted by the petitioner is unsustainable. On the aforesaid score, he prayed that the impugned action may be set aside and suitable directions be issued.

6. Per contra, learned counsel for the respondents 1 to 3 submitted his arguments based on the counter affidavit and argued that the petroleum retail outlet dealership cannot be awarded in the absence of mandatory statutory clearances. He vehemently argued that only after conducting field inspection,



it is found that the canal (Ootru Vaikkal) is situated within the prohibitory distance of 30 meters and therefore, the norms prescribed by the CPCB has not been satisfied for granting approval. Therefore, the rejection of the proposal is justifiable and in compliance with statutory requirements.

7. Learned counsel for the 4th respondent submit that the proposal was rejected strictly in accordance with CPCB guidelines dated 16.08.2021 and applicable statutory provisions. Reiterating the averments of the counter affidavit, he submitted that as per the drawings and sketch submitted, the canal is situated within 11 meters from the proposed site, which violates the minimum distance requirement of 50 meters. In view of the above, the rejection order, dated 05.12.2024 passed by the 4th respondent is in accordance with law and interference by this Court is unwarranted.

8. This Court has carefully considered the submissions made on either side and perused the materials available on record.

9. It is not in dispute that the petitioner was selected pursuant to the Advertisement published in the year 2014 and a Letter of Intent was issued on 05.04.2018. It is also undisputed that the District Collector has granted No Objection Certificate under Rule 144 of the Petroleum Rules, 2002.

10. The core issue that arises for consideration is with regard to the distance of the canal from the proposed site.



11. On the one hand, the Executive Engineer, Water Resources Department, by communication dated 02.07.2024, has categorically stated that the canal is situated at a distance of 63 meters from the proposed site, which satisfies the CPCB guidelines.

12. On the other hand, the 2nd respondent has prepared a sketch indicating that the canal is situated within 30 meters, based on which the proposal was rejected by the 4th respondent.

13. In the considered view of this Court, the report of the competent authority, namely the Executive Engineer, cannot be lightly disregarded. At the same time, if the 2nd respondent has any material to substantiate its stand, the same must be placed on record in a transparent manner.

14. In the case on hand, the sketch prepared by the 2nd respondent, which forms the basis for rejection, does not appear to be supported by any material and is contrary to the official certification issued by the Water Resources Department.

15. In such circumstances, this Court is of the view that the matter requires reconsideration by the 2nd respondent by conducting a proper measurement of the site in a fair and transparent manner.



16. Accordingly, the impugned sketch prepared by the 2nd respondent is set aside and the matter is remanded to the 2nd respondent for fresh consideration.

17. For the reasons aforesaid, this Court issues the following directions :-

i) The 2nd respondent is directed to conduct a physical inspection and measurement of the subject property in the presence of the petitioner,

iii) The petitioner shall place all relevant materials before the 2nd respondent in support of his contention.

iii) While preparing a fresh sketch, the 2nd respondent shall scrutinize and consider the report of the Executive Engineer, Water Resources Department, in accordance with law and thereafter forward the same to the 4th respondent for appropriate consideration.

iv) The aforesaid exercise shall be completed within a period of six weeks from the date of receipt of a copy of this order.

18. The writ petition stands allowed on the above terms. No costs.



W.P. No.30510 of 2025

Consequently, connected miscellaneous petition is closed.

WEB COPY

01.04.2026

Index : Yes / No

Speaking Order / Non-speaking order

Neutral Citation Case : Yes / No

vsi2

To

1. The General Manager (Retail & Sales)
Indian Oil Corporation Ltd.
Oil Bhavan, Nungambakkam, Chennai-600 034
2. The Chief Divisional Retail Sales Manager,
Indian Oil Corporation Ltd., Marketing Division,
Trichy Divisional Office, III Floor, B-35,
Sastri Road, Thillai Nagar, Trichy-620 018
3. The Divisional Retail Head
Indian Oil Corporation Ltd., Marketing Division,
Trichy Divisional Office, III Floor, B-35,
Sastri Road, Thillai Nagar, Trichy, -620 018
4. The Joint Chef Controller of Explosives
Petroleum And Explosives, Safety Organisation
(PESO), A & D Bhavan No.26, Haddows Road,
Nungambakkam, Chennai-600 006
5. The Addl. District Magistrate,
District Revenue Officer, Cuddalore District,
Cuddalore



WEB COPY



W.P. No.30510 of 2025

M. DHANDAPANI, J.

vsi2

W.P. No.30510 of 2025

and

W.M.P. No.10412 of 2026

01.04.2026