



W.A.Nos.2889 and 2890 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17.04.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.A.Nos.2889 and 2890 of 2025

Mohammed Khasim
S/o. M. Peer Mohammed
Proprietor of Shanthi Medicals Shop
Shop at No.98, Bharathi Salai
Royapettah, Chennai 600 014

Appellant(s) in both WAs

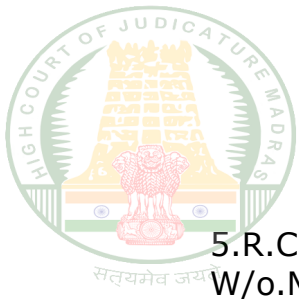
Vs

1. The Director of Drugs Control
Government of Tamil Nadu
D.M.S. Building, 359
Anna Salai, Teynampet
Chennai-600 006

2.The Assistant Director of Drugs Control
Zone-III, D.M.S. Building, 359,
Anna Salai, Teynampet
Chennai-600 006

3.The Drugs Inspector
Mylapore Range, Chennai

4.M.S.Govindarajan
S/o.M.Swamikkannu
No.3, Maruthai Avenue, Ranjith Road,
Kotturpuram, Chennai-600 086.



W.A.Nos.2889 and 2890 of 2025

5.R.Chitra
W/o.M.S.Govindarajan
No.3, Maruthai Avenue, Ranjith Road,
Kotturpuram, Chennai-600 086.

Respondent(s) in
WA.No.2889 of 2025

1. The Director of Drugs Control
Government of Tamil Nadu
D.M.S. Building, 359
Anna Salai, Teynampet
Chennai-600 006

2.The Assistant Director of Drugs Control
Zone-III, D.M.S. Building, 359,
Anna Salai, Teynampet
Chennai-600 006

3.M.S.Govindarajan
S/o.M.Swamikkannu
No.3, Maruthai Avenue, Ranjith Road,
Kotturpuram, Chennai-600 086.

4.R.Chitra
W/o.M.S.Govindarajan
No.3, Maruthai Avenue, Ranjith Road,
Kotturpuram, Chennai-600 086.

Respondent(s) in
WA.No.2890 of 2025

PRAYER in W.A.No.2889 of 2025 : Appeal filed under Clause 15 of the Letters Patent to set aside the order passed by the learned Single Judge in W.P.No.22077 of 2025 dated 24.06.2025.

PRAYER in W.A.No.2890 of 2025 : Appeal filed under Clause 15 of the Letters Patent to set aside the order passed by the learned Single Judge in W.P.No.14956 of 2025 dated 24.06.2025.



WEB COPY



W.A.Nos.2889 and 2890 of 2025

For Appellant : Mr.L.G.Sahadevan
in both WAs for Mr.A.Ilayaperumal

For Respondents in : Mrs.M.Sneha
WA.No.2889 of 2025 Special Counsel for RR1 to 3
Mr.N.Narayanaswamy for RR4 and 5

For Respondents in : Mrs.M.Sneha
WA.No.2890 of 2025 Special Counsel for RR1 and 2
Mr.N.Narayanaswamy for RR3 and 4

COMMON JUDGMENT

(Delivered by G.ARUL MURUGAN,J.)

These intra-Court appeals arise out of the common order dated 24.06.2025, whereby the challenge made to the orders of the second respondent dated 04.03.2025 and 10.06.2025, came to be rejected.

2.For the sake of convenience, the parties are referred to as per their ranks in W.A.No.2889 of 2025.

3.The relevant facts in the appeals are that the appellant is operating a medical shop in the name and style of Shanthi Medicals. The licence was granted by the second respondent on 14.01.2020, based on a rental agreement dated 02.08.2019, entered with the fourth and fifth respondents. The fourth respondent/ owner of the property disputed the tenancy and based on his complaint, an FIR came to be



W.A.Nos.2889 and 2890 of 2025

registered in Zam Bazaar P.S.Crime No.21/2024 for the offences under Sections 420, 463, 464 and 465 of IPC.

3.1.Two suits came to be filed, one by the appellant in O.S.No.3587 of 2022 before the learned XIX Assistant Judge, City Civil Court, seeking for permanent injunction from disturbing the peaceful possession of the appellant and the other suit in O.S.No.2364 of 2024 filed by the fourth and fifth respondents against the appellant, for delivery of possession.

3.2.In the meanwhile, the appellant submitted an application dated 12.11.2024, seeking to renew drug licence, for which, requisite fee was paid on 08.01.2025. However, the application seeking renewal/ extension was rejected, by order dated 04.03.2025 and by the further order dated 10.06.2025, the second respondent had directed the Drug Inspector to inspect the premises of the appellant, as the medical shop continued to operate without a licence in contravention to the provisions of the Drugs and Cosmetics Act, 1940 and Rules therein, pursuant to which, an inspection was made and the medicines were seized and the medical shop was closed. Both the orders were challenged in two separate writ petitions.



W.A.Nos.2889 and 2890 of 2025

WEB COPY

3.3.The writ Court held that when the tenancy itself is disputed by the owner, the appellant is not entitled to seek licence. Further, on finding that when admittedly, the original licence was granted to one Baskaran, who was the tenant under the fourth respondent, the appellant being a trespasser, would not be entitled for a drug licence and further, in the absence of any licence, he would not be entitled to run the shop and thereby, dismissed the writ petitions. Assailing the common order of the writ Court, the appellant had preferred two separate writ appeals.

4.The learned counsel for the appellant argued that the appellant is a tenant having a tenancy dispute with the fourth respondent. As per Rule 65-A of the Drugs Rules, 1945, the appellant is only required to furnish additional information in respect of the ownership or occupation on rental or other basis of the premises. When admittedly, the appellant is in possession, the authority ought to have granted renewal of the licence. Further, he contended that the appellant had filed the application for renewal in time by paying the retention fee and therefore, the impugned order of rejection of the drug licence is erroneous.

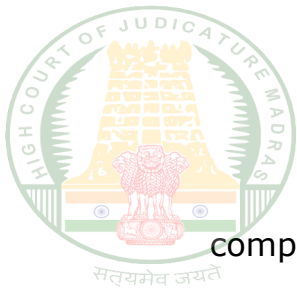


W.A.Nos.2889 and 2890 of 2025

WEB COPY 5.The learned counsel further contended that the learned Single Judge, without any basis, had arrived at a finding that the appellant is a trespasser and had dismissed the writ petitions, which is unsustainable and seeks for interference of this Court.

6.Ms.M.Sneha, learned Special Counsel for the respondents No.1 to 3 contended that the original drug licence was issued on 02.08.2019 and the licence is deemed to have cancelled on the expiry of five years, in the absence of paying retention fee. Learned counsel further contended that any application filed by the appellant would be considered for fresh licence, for which, the appellant is bound to produce the documentary evidence in respect of his tenancy. When the fourth respondent owner disputed the very tenancy and fabrication and forgery is alleged, the authorities had rightly rejected the application, which has not been interfered with by the writ Court.

7.Mr.N.Narayanaswamy, learned counsel appearing for the respondents No.4 and 5 submitted that the appellant is a trespasser and no valid tenancy had been executed by the appellant and based on their



W.A.Nos.2889 and 2890 of 2025

complaint, a criminal case is registered against the appellant for fabricating and forging the document.

8.Considered the rival submissions and perused the materials available on record.

9.At the outset, it is to be noted that originally, the drug licence was issued in favour of one Baskaran. Admittedly, the said Baskaran is recognised as a tenant, with whom the respondents No.4 and 5 have entered into a valid tenancy agreement. The drug licence issued is valid for a period of five years.

10.The appellant claims to be a tenant in the subject property *vide* a rental agreement dated 02.08.2019. By the orders of the second respondent dated 14.01.2020, the licence granted on 02.08.2019, was transferred. It is alleged that when the original tenant Baskaran possessed the licence for the medical shop, the appellant who was working as a salesman under the said Baskaran, had fabricated a tenancy agreement and managed to get drug licence transferred during COVID period.



W.A.Nos.2889 and 2890 of 2025

WEB COPY 11.In this regard, based on a complaint lodged by the fourth respondent, a case in Crime No.21/2014 on the file of Zam Bazaar Police Station came to be registered against the appellant for the offences under Sections 420, 463, 464 and 465 of IPC. As such, the appellant as on date is accused for fabricating and forging rental agreement dated 02.08.2019.

12.When the drug licence issued is valid for a period of five years as per Rule 63(1) of the Drugs Rules, 1945, the licence will further remain valid, if the licensee deposits the licence retention fee before the expiry of period of five years from the date of its issue. On the failure of payment of the retention fee within the licence period, the licence shall be deemed to have been cancelled. Admittedly, when the original licence in respect of the subject property was issued on 02.08.2019 and the retention fee was not paid within the licence period, the licence is deemed to have been cancelled as on 01.08.2024. Even as per the averments made in the affidavit, the application for renewal was filed only in the month of November 2024.



W.A.Nos.2889 and 2890 of 2025

WEB COPY 13.Be that as it may, when a licence is granted, Rule 65-A of the Drugs Rules, 1945, mandates that the licensee shall, on demand, furnish to the licensing authority, before the grant of the licence or during the period the licence is in force, as the case may be, documentary evidence in respect of ownership or occupation on rental or other basis of the premises. When the basic requirement for obtaining the licence is that the applicant shall be an owner or a tenant, admittedly, the fourth respondent had entered into a tenancy only with one Baskaran who had obtained the drug licence, whereas, the appellant got the drug licence transferred on the basis of a rental agreement said to be executed with the fourth respondent. The owner of the premises/fourth respondent denies any tenancy and disputes the document relied on, for which, a criminal case has been registered against the appellant.

14.Under such circumstances, the writ Court, by considering the legal provisions, the criminal case pending and the stand taken by the fourth respondent owner, had rightly concluded that the appellant is only a trespasser, who would not be entitled to have a drug licence to operate the medical shop in the subject premises. Further, in the absence of



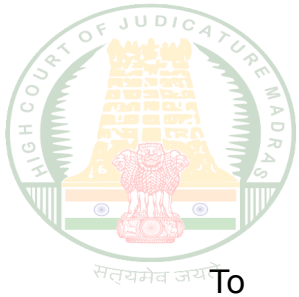
W.A.Nos.2889 and 2890 of 2025

any licence, naturally, the continuance of the shop in the premises would be unauthorised and against the provisions of the Act and Rules.

15. In view of the above deliberations, we see no irregularity or infirmity in the findings arrived at by the writ Court warranting interference. Accordingly, the orders passed in the writ petitions are sustained and the writ appeals stand dismissed. There shall be no order as to costs.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)
17.04.2026

Index : Yes/No
Neutral Citation : Yes/No
gya



W.A.Nos.2889 and 2890 of 2025

To
WEB COPY

1. The Director of Drugs Control
Government of Tamil Nadu
D.M.S. Building, 359
Anna Salai, Teynampet
Chennai-600 006

2.The Assistant Director of Drugs Control
Zone-III, D.M.S. Building, 359,
Anna Salai, Teynampet
Chennai-600 006

3.The Drugs Inspector
Mylapore Range, Chennai



WEB COPY



W.A.Nos.2889 and 2890 of 2025

THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

gya

W.A.Nos.2889 and 2890 of 2025

17.04.2026

Page 12 of 12