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Arbitration Application No.1652 of 2025
and Original Application Nos.1132 & 1133 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23.02.2026

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THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Arbitration Application No.1652 of 2025
and Original Application Nos.1132 & 1133 of 2025

T.Satheesh,
S/o.Thirupathi

... Applicant in all cases

Vs.

M/s.Bharat Petroleum Corporation Limited,
Represented by its Chief Manager (LPG Logistics) South
No.1, Ranganathan Gargens, 11th Main Road,
Anna Nagar, Chennai – 600 040.

.... Respondent in all cases

PRAYER in Arb.Appln.No.1652 of 2025: Arbitration Application filed under Order XIV Rules 1 and 8 of O.S.Rules read with Section 9(1) (ii) (e) of the Arbitration and Conciliation Act, 1996, to grant an order of interim direction, directing the respondent, not to refuse physical verification when the applicant presents the tank trucks, anytime within the 120 days validity period from the date of LOI, until the dispute between the applicant and the respondent is resolved through arbitration.

PRAYER in Original Application No 1132 of 2025: Original Application filed under Order XIV Rules 1 and 8 of O.S.Rules read with Section 9(1) (ii) (d) & (e) of the Arbitration and Conciliation Act, 1996, to grant an order of interim injunction, restraining the respondent from allocating the vacancy left by the cancellation of the applicant's letter of intent, in favour of waitlisted bidders, until the dispute between the applicant and the respondent is resolved through arbitration.

PRAYER in Original Application No 1133 of 2025: Original Application filed under Order XIV Rules 1 and 8 of O.S.Rules read with Section 9(1) (ii) (d) & (e) of the Arbitration and Conciliation Act, 1996,
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to grant an order of interim injunction, restraining the respondent from enforcing the letter dated 13.11.2025, cancelling the LOI dated 19.10.2025 issued to the applicant, until the dispute between the applicant and the respondent is resolved through arbitration.

For Applicant : Mr.Mohamed Riaz
[in all cases] for Mr.D.Vairamoorthy

For Respondent : Mr. O.S.Karthikeyan [BPCL]
[in all cases]

COMMON ORDER

These applications have been filed under Section 9 of the Arbitration and Conciliation Act, 1996 [in short, ‘the Act’] seeking for an interim direction to the respondent not to refuse physical verification when the applicant presents the tank trucks within the time stipulated under the Letter of Intent, until the dispute between the applicant and the respondent is resolved through arbitration.

2. When these applications came up for hearing after service of notice on 05.01.2026, this Court upon hearing both sides passed the following order:

“Heard the learned counsel for the applicant and the learned counsel for respondent.

2. The main ground on which the Letter of Intent (LOI) was



cancelled by the respondent Corporation was that the applicant was not able to get the confirmation letter regarding the sanction of loan from the bank under the SUIS Scheme. Even according to the counter filed by the respondent Corporation, this SUIS scheme was not in operation w.e.f 31.03.2025. Hence, this Court wanted to ascertain as to what will be the effect of cancellation of the Letter of Intent given in favour of the applicant under the SUIS Scheme.

3. The learned counsel for respondent Corporation seeks for some time to take instructions.

4. Post this application for hearing on 09.02.2026.”

3. The matter was again listed for hearing on 16.02.2026. On that day, an additional counter affidavit was filed by the respondent. The query that was posed by this Court was answered in paragraph nos. 3 and 4 of the additional affidavit, which are extracted hereunder:

“3. I respectfully submit that the instant case is an exceptional case, where the SUIS Scheme was withdrawn by the Government and as a consequence the Applicant was unable to furnish the sanction letter from the Scheduled Commercial Bank, which had been stipulated as a pre-condition in the Letter of Intent. I further submit that tender terms and conditions does not deal/specify the circumstances where compliance becomes impossible for the Applicant due to withdrawal of a Government



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Scheme. It is relevant to note that the tender terms and conditions deals only with cancellation of Letter of Intent, if the Applicant is later found to have submitted fabricated documents/indulged in malpractice, resulting in cancellation of LOI and blacklisting the Letter of Intent Holder.

4. I respectfully submit that totally 26 bidders were issued with the LOI under the SUIS Scheme. All the 26 bidders were unable to furnish the sanction letter from the Scheduled Commercial Bank, which had been stipulated as a pre-condition and their Letter of Intent have been cancelled. Recording the above, suitable orders may be passed and thus render justice.”

4. The learned counsel for the applicant sought for some time to take instructions and accordingly, the matter was directed to be listed for hearing today.

5. The learned counsel for the applicant submitted that, when the applicant was willing to present the tank trucks within the time stipulated under the Letter of Intent, the same was refused to be verified and the applicant has also made a representation in this regard to the respondent Corporation.



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6. In the considered view of this Court, the respondent Corporation was not able to proceed further under the SUIS Scheme since the same was withdrawn by the Government. Considering the fact that these applications have been filed under Section 9 of the Act, no further orders can be passed by this Court, since this Court is not vested with the inherent jurisdiction while exercising its power under Section 9 of the Act, considering the stand taken by the respondent Corporation. Hence, the same is recorded and these applications stand closed.

23.02.2026

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N.ANAND VENKATESH, J.

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