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HIGH COURT OF DELHI AT NEW DELHI

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**LPA Nos.158/2007, 159/2007 &
WP(CIVIL) No.18261/2006 & other
connected matters**

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Date of decision : 8th February, 2008

1. LPA 158/2007

M/S. IBP CO. LIMITED

... Appellant

-versus-

NAND KISHORE BAJPAI & OTHERS

.... Respondents

2. LPA 159/2007

M/S. IBP CO. LIMITED

... Appellant

-versus-

SARVESH KUMAR DIXIT & OTHERS

.... Respondents

3. WP(C) 18261-63/2006

POONAM GARG and OTHERS

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

4. WP(C) No.18289-91/2006

PRADEEP SINGHAL and OTHERS

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

5. WP(C) No.19019-20/2006

JASBIR SINGH BAL and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

6. WP(C) No.19021-22/2006

KRISHNA KUMAR SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

7. WP(C) No.19023-24/2006

SHAMA PARVEEN and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

8. WP(C) No.19025-26/2006

BABU SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

9. WP(C) No.203/2007

CHANDRA PAL SINGH and OTHERS ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

10. WP(C) No.206/2007

AMAR SINGH and OTHERS ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

11. WP(C) No.491/2007

RAM CHANDRA RAHEJA and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

12. WP(C) No.842/2007

SANYOGITA SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

13. WP(C) No.990/2007

SAURABH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

14. WP(C) No.1067/2007

BHARAT BHUSHAN BANSAL and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

15. WP(C) No.1137/2007

VINOD KUMAR and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

16. WP(C) No.1157/2007

CHANDRA MOHAN NATH SETH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

17. WP(C) No.1285/2007

RAJESH BORA and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

18. WP(C) No.1397/2007

BRIJ BIHARI UDAINIYA and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

19. WP(C) No.1452/2007

SHIV CHARAN LAL and OTHERS ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

20. WP(C) No.1553/2007

BALWINDER SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

21. WP(C) No.1559/2007

ASHOK KUMAR and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

22. WP(C) No.1600/2007

NAND KISHORE RAI and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

23. WP(C) No.1641/2007

VINOD KUMAR ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

24. WP(C) No.1642/2007

PRAMOD SHARMA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

25. WP(C) No.1776/2007

DINESH KUMAR TIWARI

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

26. WP(C) No.1792/2007

RAM GOPAL

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

27. WP(C) No.1836/2007

VIVEK MALHOTRA and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

28. WP(C) No.1842/2007

TEJBIR SINGH and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

29. WP(C) No.1843/2007

JAGDEEP SHARMA and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

30. WP(C) No.1856/2007

NARESH JAIN and ANOTHER ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

31. WP(C) No.1857/2007

PRIYANKA JAIN and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

32. WP(C) No.1858/2007

MAJOR GIRISH CHANDRA (RETD) ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

33. WP(C) No.1879/2007

NARENDER SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

34. WP(C) No.1880/2007

INDERJEET SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

35. WP(C) No.1912/2007

SANJEEV KUMAR

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

36. WP(C) No.1915/2007

RAJNISH THAPAR

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

37. WP(C) No.1920/2007

AMARJIT BANSAL and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

38. WP(C) No.1921/2007

ASHA RAM

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

39. WP(C) No.1925/2007

SUBHASH CHANDER

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

40. WP(C) No.1965/2007

ALOK KUMAR JAISWAL and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

41. WP(C) No.1987/2007

SANJEEV KUMAR NARULA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

42. WP(C) No.2000/2007

MEERA KATARIA and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

43. WP(C) No.2006/2007

DINESH KUMAR and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

44. WP(C) No.2008/2007

ANEEL MAAN and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

45. WP(C) No.2026/2007

DEEP CHAND RAI and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

46. WP(C) No.2054/2007

HANS RAJ TUTEJA and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

47. WP(C) No.2101/2007

AMAR NATH SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

48. WP(C) No.2255/2007

MOHD. HASAN IMAM ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

49. WP(C) No.2322/2007

KHURSHID AHMED CHIPPA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

50. WP(C) No.2389/2007

RAJESH KUMAR PANDIT @ RAJESH P. ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

51. WP(C) No.2390/2007

MOHAL LAL and ANOTHER ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

52. WP(C) No.2391/2007

MILAN RANI ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

53. WP(C) No.2392/2007

MOHD. JAMAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

54. WP(C) No.2442/2007

MEGHNA SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

55. WP(C) No.2444/2007

MOHD. SHAHNAWAZ ALAM ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

56. WP(C) No.2445/2007

SATYA NARAIN KUMAR SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

57. WP(C) No.2738/2007

SUDESH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

58. WP(C) No.2739/2007

LAKHVINDER SINGH BAJWA and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

59. WP(C) No.2758/2007

SANJEEV KUMAR KHURANA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

60. WP(C) No.2760/2007

BALDEV SINGH

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

61. WP(C) No.2761/2007

GAURAV GUPTA

...Petitioner

- versus -

UNION OF INDIA and ANOTHER .

..Respondents

62. WP(C) No.2763/2007

PAWNA KUMAR PURBEY and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

63. WP(C) No.2820/2007

SUNIL MALIK

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

64. WP(C) No.2821/2007

SANJAY GOEL

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

65. WP(C) No.2822/2007

SAJJAN KUMAR AGARWAL

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

66. WP(C) No.2844/2007

JOGINDER SINGH

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

67. WP(C) No.2845/2007

GIAN CHAND

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

68. WP(C) No.2846/2007

VIJAY AGGARWAL and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

69. WP(C) No.2847/2007

KANCHAN MEENA and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

70. WP(C) No.3190/2007

SANTOSH SHARMA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ..Respondents

71. WP(C) No.3194/2007

SUNITA GOEL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

72. WP(C) No.3195/2007

SUBHASH SHARMA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

73. WP(C) No.3197/2007

DEEPIKA KAUR and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

74. WP(C) No.3246/2007

RAVINDER KUMAR SINGHLA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

75. WP(C) No.3251/2007

LAKHWANT SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

76. WP(C) No.3252/2007

SANT ATAM PRAKASH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

77. WP(C) No.3320/2007

ATESH AGGARWAL and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

78. WP(C) No.3321/2007

BALWINDER SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

79. WP(C) No.3323/2007

LAKHWANT SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

80. WP(C) No.3325/2007

SURINDER PAL SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

81. WP(C) No.3358/2007

SUSHIL KUMAR AGGARWAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

82. WP(C) No.3359/2007

AMARJEET SINGH ...Petitioner

- versus -

UNION OF INDIA and OTHERS ...Respondents

83. WP(C) No.3365/2007

SATISH KUMAR ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

84. WP(C) No.3419/2007

ARUNA AGGARWAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

85. WP(C) No.3420/2007

SANDEEP SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

86. WP(C) No.3421/2007

KULBIR SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

87. WP(C) No.3459/2007

DHARAM PAL GOYAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

88. WP(C) No.3460/2007

JAGDISH CHANDER DABAS ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

89. WP(C) No.3523/2007

KRISHAN KUMAR SULTANIA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

90. WP(C) No.3524/2007

ASOKE KHAN ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

91. WP(C) No.3631/2007

BISHWANATH PRASAD JAISWAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

92. WP(C) No.3745/2007

SHYAMAL CHATTERJEE ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

93. WP(C) No.3801/2007

DEEPAK KUMAR ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

94. WP(C) No.3815/2007

ANIL KUMAR and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER . ..Respondents

95. WP(C) No.3828/2007

RAKESH KUMAR MITTAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

96. WP(C) No.3849/2007

RAVI SHANKAR SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

97. WP(C) No.3853/2007

SURENDER PRASAD CHAURASIA and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

98. WP(C) No.3856/2007

BISHESWAR GAUR ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

99. WP(C) No.4330/2007

ANKUR GUPTA ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

100. WP(C) No.4467/2007

JAIPU KUMAR

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

101. WP(C) No.6527/2007

PREM BHUSHAN

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

102. WP(C) No.6528/2007

GKD ENTERPRISES and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

103. WP(C) No.6583/2007

SOHAN SINGH

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

104. WP(C) No.6593/2007

JANAK RAJ and ANOTHER

...Petitioners

- versus -

UNION OF INDIA and ANOTHER

...Respondents

105. WP(C) No.6887/2007

HARINDER SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

106. WP(C) No.6888/2007

ASHOK KUMAR ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

107. WP(C) No.4359/2007

ASHOK KUMAR SINGH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and OTHERS ...Respondents

108. WP(C) No.5238/2007

JAGDISH SINGH BHATTI ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

109. WP(C) No.3956/2007

MITHAN LAL BANSAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

110. WP(C) No.3957/2007

ROSHAN LAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

111. WP(C) No.3958/2007

BALRAJ SINGH ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

112. WP(C) No.4154/2007

MITHAN LAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

113. WP(C) No.4156/2007

ASHOK KUMAR and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

114. WP(C) No.4462/2007

LAKHI RAM GARG ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

115. WP(C) No.4465/2007

PRABHA CHHABRA

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

116. WP(C) No.4566/2007

RAMAN BALASUBRAMANIAM

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

117. WP(C) No.4567/2007

JIT SINGH

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

118. WP(C) No.4886/2007

RAM PAL SINGHLA

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

119. WP(C) No.4887/2007

SAMIRAN DAS

...Petitioner

- versus -

UNION OF INDIA and ANOTHER

...Respondents

120. WP(C) No.5522/2007

PRADIP KUMAR GHOSH and ANOTHER ...Petitioners

- versus -

UNION OF INDIA and ANOTHER ...Respondents

121. WP(C) No.5667/2007

POONAM JAISWAL ...Petitioner

- versus -

UNION OF INDIA and ANOTHER ...Respondents

Counsel for the Parties:

Mr. Suresh Kait, Standing Counsel for the UOI in W.P. (C) Nos. 842/2007, 990/2007 and 1600/2007, 1879/2007, 1880/2007, 1912/2007, 1915/2007, 1920/2007, 1921/2007, 1925/2007, 1965/2007, 1987/2007, 2000/2007, 2006/2007, 2008/2007, 2026/2007, 2054/2007, 2101/2007, 2255/2007, 2322/2007, 2389/2007, 2390/2007, 2391/2007, 2392/2007, 2442/2007, 2444/2007, 2445/2007, 2738/2007, 2739/2007, 2758/2007, 2760/2007, 2761/2007, 2763/2007, 2820/2007, 2821/2007, 2822/2007, 2844/2007, 2845/2007, 2846/2007, 2847/2007, 3190/2007, 3194/2007, 3195/2007, 3197/2007, 3246/2007, 3251/2007, 3252/2007, 3320/2007, 3321/2007, 3323/2007, 3325/2007, 3358/2007, 3359/2007, 3365/2007, 3419/2007, 3420/2007, 3421/2007 and 3459/2007.
Mr. N.K. Verma for the petitioner in W.P. (C) Nos. 1452/2007 & 2006/2007.
Mr. Valmiki Mehta, Sr. Advocate with Mr. A Maitri for the petitioner in W.P. (C)

Nos. 158/2007, 159/2007, 18261/2006,
18289/2006, 19019/2006, 19021/2006,
19023/2006, 19025/2006, 203/2007,
206/2007, 491/2007, 842/2007,
990/2007, 1067/2007, 1135/2007,
1157/2007, 1285/2007, 1397/2007,
1452/2007, 1553/2007,
1559/2007, 1600/2007, 1641/2007,
1642/2007, 1776/2007,
1792/2007, 1836/2007, 1842/2007,
1843/2007, 1856/2007,
1857/2007, 1858/2007, 1879/2007,
1880/2007, 1912/2007,
1915/2007, 1920/2007, 1921/2007,
1925/2007, 1965/2007,
1987/2007, 2000/2007, 2006/2007,
2008/2007, 2026/2007,
2054/2007, 2101/2007, 2255/2007,
2322/2007, 2389/2007,
2390/2007, 2391/2007, 2392/2007,
2442/2007, 2444/2007,
2445/2007, 2738/2007, 2739/2007,
2758/2007, 2760/2007,
2761/2007, 2763/2007, 2820/2007,
2821/2007, 2822/2007,
2844/2007, 2845/2007, 2846/2007,
2847/2007, 3190/2007,
3194/2007, 3195/2007, 3197/2007,
3246/2007, 3251/2007.
3252/2007, 3320/2007, 3321/2007,
3323/2007, 3325/2007,
3358/2007, 3359/2007, 3365/2007,
3419/2007, 3420/2007,
3421/2007, 3460/2007, 3523/2007,
3524/2007, 3631/2007,
3745/2007, 3801/2007, 3815/2007,
3828/2007, 3849/2007, 3853/2007,
3856/2007, 4330/2007, 4467/2007,
6527/2007, 6528/2007, 6583/2007,
6593/2007, 6887/2007,
6888/2007, 4359/2007, 5238/2007,
3956/2007, 3957/2007,
3958/2007, 4154/2007, 4156/2007,
4330/2007, 4462/2007,

4465/2007, 4467/2007.

Mr. Sanat Kumar and Mr. Sanjay Sharma
for the petitioners in WP(C)

No.3459/2007.

Ms.Anjana Gosain, Mr.Digvijay Rai and
Mr.Rajesh Kumar Singh for petitioner in
WP(C)4359/2007

Mr. M.M. Kalra for IOL in WP(C)
1285/2007

Mr. U.L. Watwani for the UOI in W.P. (C)
Nos. 1285/2007, 1641/2007,
1642/2007, 1776/2007, 1792/2007,
1842/2007, 1856/2007, 1987/2007 &
2026/2007.

Ms. Mala Narayan & Ms. Shalini Pathania
for IBP Co. Ltd. In W.P. (C) Nos.

158/2007, 159/2007, 18261/2006,
18289/2006,19019/2006, 19021/2006,
19023/2006,19025/2006, 842/2007,
990/2007, 1600/2007,
1776/2007,1965/2007, 2101/2007,
2389/2007, 2391/2007,
2392/2007, 2445/2007, 2738/2007,
2739/2007, 2758/2007,
2763/2007, 2820/2007, 2821/2007,
2822/2007, 2844/2007,
2845/2007, 2846/2007, 2847/2007,
3190/2007, 3195/2007,3197/2007,
3246/2007, 3251/2007. 3252/2007,
3320/2007,3321/2007, 3323/2007,
3325/2007, 3358/2007,
3359/2007,3365/2007, 3419/2007,
3420/2007, 3421/2007,
3459/2007,3460/2007, 3523/2007,
3524/2007, 3631/2007,
3745/2007,3801/2007, 3815/2007,
3828/2007, 3849/2007,
3853/2007,3856/2007, 4330/2007,
6528/2007, 6583/2007,
6593/2007, 6887/2007, 6888/2007 &
4359/2007, LPA158/07 & LPA 159/07
Mr. Mukesh Anand for the UOI in W.P.
(C) Nos. 2738/2007, 2739/2007,
2761/2007, 3190/2007, 3194/2007,

3195/2007, 3197/2007, 3419/2007,
3420/2007 & 3421/2007

Mr. A.D.N. Rao for BPCL in W.P. (C) Nos.
1553/2007, 1836/2007, 1843/2007,
1856/2007, 1857/2007,
1858/2007, 1879/2007, 1912/2007,
1915/2007, 1921/2007, 1925/2007,
1987/2007, 2000/2007, 2006/2007,
2761/2007 & 3194/2007.

Mr. Anil Nag for the respondent No. 1 in
W.P. (C) Nos. 6528/2007, 6583/2007,
6593/2007, 6887/2007 & 6888/2007.

Mr. Sanjay Katyal & Mr. Saurabh for the
respondent No. 1 in W.P. (C) Nos.
1553/2007, 1559/2007, 2820/2007,
2821/2007, 2822/2007, 4467/2007,
6583/2007 & 6593/2007.

Ms. Reeta Kaul for the respondent No. 1
in W.P. (C) No. 1397/2007.

Mr. Parijat Sinha, Mr.D.K.Nag, Ms.
Rashmi Rea Sinha & Mr. A.K. Mishra for
HPCL in W.P. (C) Nos. 203/2007,
206/2007, 491/2007, 1067/2007,
1137/2007, 1157/2007, 1397/2007,
2008/2007, 2026/2007, 2390/2007,
2391/2007, 2442/2007, 5238/2007,
4462/2007, 4465/2007, 4467/2007,
4566/2007 & 4567/2007.

Mr.Rattan Lal for UOI in WP(C)
1559/2007, 1842/2007,

1843/2007,1858/2007 and 2000/2007

Mr. Dalip Mehra, Standing Counsel & Mr.
Rajiv Ranjan Mishra for UOI in W.P. (C)

Nos. 19019/2006, 19021/2006,
19023/2006,19025/2006, 203/2007,
206/2007, 1067/2007, 1157/2007,
1452/2007, 1553/2007, 2054/2007,
2101/2007, 2255/2007, 2322/2007,
2389/2007, 2392/2007, 2442/2007,
2444/2007, 2445/2007 & 3251/2007.

Mr.S.K.Dubey for UOI in LPA 158/2007,
LPA 159/2007 and LPA 18261/2006

CORAM:

HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE SANJIV KHANNA

1. Whether reporters of local papers may be allowed to see the Judgment ? yes
2. To be referred to the Reporter or not? yes
3. Whether the Judgment should be reported in the Digest? yes

DR. MUKUNDAKAM SHARMA, CJ :

1. By this common judgment we propose to dispose of all these writ petitions which are referred to us by the learned Single Judge by order dated 10th July, 2007 and also the Letters Patent Appeals arising out of the order dated 16th January, 2007 passed by the learned Single Judge disposing of the writ petitions of similar nature.

2. The writ petitioners and the respondents in the appeals are either owners of land taken on lease by the oil companies for running petroleum retail outlets, Maintenance and Handling Contractors (for short 'M&H Contractors') or ad hoc dealers who were awarded the contract for running the said outlets under supervision of the oil companies. When the oil companies sought to allot/assign the retail outlets in terms of their policy, the land owners and in some cases M&H Contractors and adhoc dealers filed writ petitions. WP(C) No.358/2007 titled Nand Kishore Bajpai

& Others v. M/s. IBP Co. Limited was disposed of by the learned Single Judge by a brief order dated 16th January, 2007 holding thus:

“The only question to be considered is as to whether the petrol pump located on the land of petitioner No.1 and being run by petitioner No.2 can be assigned or transferred to any third party by the oil company on the land of petitioner No.1 without the consent of petitioner No.1. Indisputably the answer to this question would be in the negative. The oil companies are free to deal with their contract in accordance with law but cannot assign the running of the petrol pump to a third party on the land of petitioner No.1 without the consent of petitioner No.1. This is so as the land of a citizen cannot be taken away except in accordance with law.

The petition stands disposed of.”

3. As against the aforesaid order passed by the learned Single Judge an appeal was filed in this Court which was registered as LPA No.158/2007.

4. After the disposal of the aforesaid writ petition, many other writ petitions were listed before another learned Single Judge of this Court who heard arguments of the counsel appearing for the parties. Decision in the case of Nand Kishore Bajpai's case (supra) was relied upon by the counsel appearing for the land owners/M&H Contractors in support of their contentions. After considering the facts and legal issues that arose for consideration, the learned

Single Judge recorded that he has difficulty in accepting the general observations and findings of the learned Single Judge in Nand Kishore Bajpai's case that :

“The oil companies are free to deal with their contract in accordance with law but cannot assign the running of the petrol pump to a third party on the land of petitioner No.1 without the consent of petitioner No.1.”

5. The learned Single Judge by his detailed order passed on 10th July, 2007 held that the aforesaid finding would not hold good where the lessees themselves have permitted sub-letting by incorporating specific clauses in that regard in the leases which are part of the record and relied upon. After recording his disagreement with the earlier decision in the case of Nand Kishore Bajpai, the learned Single Judge referred to the decision of the Supreme Court in **Vijay Laxmi Sadho (Dr.) v. Jagdish** reported in (2001) 2 SCC 247 wherein the Supreme Court held as follows:

“It is well settled that if a Bench of coordinate jurisdiction disagrees with another Bench of coordinate jurisdiction whether on the basis of “different arguments” or otherwise on a question of law, it is appropriate that the matter be referred to a larger Bench for resolution of the issue rather than to leave two conflicting judgments to operate creating confusion. It is not proper to sacrifice certainty of law. Judicial decorum, no less than legal propriety, forms the basis of judicial procedure and it must be

respected at all costs.”

6. The learned Single Judge has referred all writ petitions to a Division Bench for adjudication, so as to avoid conflicting judgments. Consequently, we have taken up these writ petitions and also the Letters Patent Appeals for consideration and heard counsel for the land owners, M&H Contractors, adhoc dealers as well as the four Public Sector Oil Companies namely, Bharat Petroleum Corporation Limited (BPCL), Hindustan Petroleum Corporation Limited (HPCL), Indian Oil Corporation Limited (IOCL) and IBP Company Limited.

7. We have perused through the records and as a means of abundant clarification, the relevant details culled out of all the Petitions and Letter Patent Appeals have been provided in the table herein below:-

IBP COMPANY LIMITED

S.No	Case No. & Party Name	Area & Rent	Date & Duration of Lease Deed	Nature & date of Contract
1.	WP(C)4156/07 Ashok Kumar v. UOI	2500 sq.mtrs Rs.1,850/- per month with 10% increase every 5 years	17.9.2002 15 Years	M&H Contract

2.	WP(C)3853/07 Surender Pd. Chaurasia v. UOI	Rs.30,101/- per month with 15% increase every 5 years	28.7.2000 33 Years	M&H Contract
3.	WP(C)6888/07 Ashok Kumar v. UOI	8098.26 sq.mtrs Rs.14,000/- per month with 10% increase every 5 years	26.5.2000 30 Years	M&H Contract
4.	WP(C)3320/07 Atesh Aggarwal v. UOI	1207.33 sq.mtrs Rs.3,650/- per month Staggered increase every 5 years	22.5.2003 30 years from the date of commissionin g of the RO	M&H Contract
5.	WP(C)4154/07 Mithan Lal v. UOI	1336.6 sq.mtrs Rs.1,900/- per month with 10% increase every 5 years	28.4.2003 30 Years + 30 Years	M&H Contract
6.	WP(C)3195/07 Subhash Sharma v. UOI	3223 sq.mtrs Rs.8,500/- per month with 10% increase every 5 years	29.10.2002 15 + 15 Years	M&H Contract
7.	WP(C)3856/07 Bisheswar Gaur v. UOI	13200 sq.ft Rs.25,500/- per month with 10% increase every 10 years	30.9.2003 15 Years	M&H Contract w.e.f. 30.5.03
8.	WP(C)3321/08 Balwinder Singh v. UOI	Petitioner M&H contract holder		M&H Contract w.e.f. 28.8.02

9.	WP(C)3246/07 Ravinder Kumar Singhla v. UOI	1620 sq.mtrs with frontage of 36.00 mtrs Rs.4,00/- per month with 10% increase every 5 years	28.5.2003 30 Years	M&H Contract 29.9.2003
10.	WP(C)3197/07 Deepika Kaur v. UOI	2062.91 sq.mtrs Rs.22,000/- per month with 10% increase every 5 years	Conveyancing from 28.9.2009 15 + 15 years	M&H Contract
11.	WP(C)3542/07 Asoke Khan v. UOI	1 acre or 4047 sq.mtrs Rs.1,473/- per month with 15% increase every 5 years	11.7.2000 30 Years	M&H Contract
12.	WP(C)2822/07 Sajjan Kumar v. UOI	3025 sq.mtrs Rs.3,000/- per month with 15% increase every 5 years	21.10.2002 19 Years & 11 months + 10 years	M&H Contract
13.	WP(C)2845/07 Gian Chand v. UOI	1620 sq.mtrs Rs.4,800/- per month, staggered every 5 years	30.11.2002 15 Years + 15 years	M&H Contract
14.	WP(C)3956/07 Mithan Lal v. UOI	2 acres or 8094 sq.mtrs Rs.13,500/- per month with 10% increase every 5 years	15.7.2000 30 Years + 30 years	

15.	WP(C)4330/07 Ankur Gupta v. UOI	8271.56 sq.mtrs Rs.1,200/- per month with 10% increase every 5 years	01.10.2000 or date of commissioning of RO whichever is later 33 Years + 33 years	M&H Contract
16.	WP(C)2739/07 Lakhvinder Sigh Bajwa v. UOI	3484 sq.mtrs Rs.1,300/- per month with 20% increase every 5 years	Commencing from 8.11.2002 19 Years 11 months + 10 years	M&H Contract
17.	WP(C)3190/07 Smt Santosh Sharma v. UOI	8094 sq.mtrs Rs.8094/- per month	Commencing from 10.9.2000 33 Years	M&H Contract
18.	WP(C)18289-91/06 Pradeep Singhal v. UOI	1646.28 sq.mtrs Rs.3,200/- per month with 10% increase every 5 years	Commencing from 22.11.2002 30 Years	M&H Contract
19.	WP(C) No. 1600/07 Nand kishore Rai v. UOI	1800 sq. mtrs. Rs. 11000/- pm with increase in rent by 10% every 5 years	23/04/2003 15 Years	M&H Contract 16/08/2005
20.	WP(C) No. 3365/07 Satish Kumar v. UOI	8498 sq. mtrs. Rs. 18000/- pm with increase in rent by 10% every 5 years	Commencing from 15.8.2002 30 Years	M&H Contract

21.	WP(C) No. 3252/07 Sant Atam Prakash v. UOI	2475 sq. mtrs. Rs. 1000/- pm with increase in rent by 10% every 5 years	24/10/2002 30 Years	M&H Contract
22.	WP(C) No. 2844/07 Joginder Singh i v. UOI			M&H Contract
23.	WP(C) No. 2846/07 Vijay Aggarwal v. UOI	3162.75 sq. mtrs. Rs.3,800/- pm with increase in rent by 15% every 5 years	Commencing from 3.3.2003 19 years 11 months + 10 years	M&H Contract
24.	WP(C) No. 3323/07 Lakhwant Singh v. UOI	1575 sq. mtrs. Rs.3500/- pm with increase in rent by 10% every 5 years	Commencing from 28.5.2003 30 Years	M&H Contract
25.	WP(C) No. 3251/07 Lakhwant singh v. UOI	3575 sq. mtrs. Rs.15000/- pm with increase in rent by 10% every 5 years	28.6.2002 30 years	M&H Contract 29.6.2004
26.	WP(C) No. 6528/07 GKD Enterprises v. UOI	1200 sq. ft. Rs. 1,00,000/- pm for land + Rs.25,000 per month for building with increase in rent by 15% every 5 years	06/11/2002 w.e.f. 4.6.2001 5 years with renewal option	M&H Contract 01/10/2003

27.	WP(C) No. 3419/07 Smt Aruna Aggarwal v. UOI	Not land owner		M&H Contract 27.6.2003
28.	WP(C) No. 3421/07 Kulbir Singh v. UOI	Petitioner claims to have procured the land	10.4.2001	M&H Contract 23.11.2001
29.	WP(C) No. 2392/2007 Mohd. Jamal v. UOI	25146 Sq Ft Rs. 21000/- pm 10% increase every 5 years for initial 15 years	31/03/2003 15 + 15 years	M& H Contract 29 th March 2003
30.	WP.C No. 842/07 Sanyogita Singh v. UOI	2529 Sq. Mtrs. Rs. 8500/- pm increase in rent by 10% every 5	29/10/2002 15 Years years	M&H Contract 25 th November 2003
31.	WP(C) No.2847 /07 Kanchan Meera v. UOI	1375 sq.ft Lease deed not attached.		M&H Contract 5.10.2005
32.	WP(C) No. 6593/07 Janak Raj v. UOI	1788 Sq mtrs Rs. 3,500/- pm with 10% increase every 5 years	29/04/2003 30 years	M& H Contract May 2003
33.	WP(C) No.19025- 26/06 Babu Singh v. UOI	2025 Sq. Mtrs. Rs. 4000/- p.m. 15% increase after 15 years	24/10/2002 15 years +15 years	M& H Contract 23/10/2003

34.	WP(C) No.6527/07 Prem Bhushan v. UOI	8094 Sq. Mtrs. Rs.10,000/- p.m. With 10% increase every 5 years	1.8.2000 30 years	M& H Contract
35.	WP(C) No.3358/07 Sushil Kumar Aggarwal v. UOI	2 acres Rs.4,000/- pm with 12% increase every 5 years	13 th July, 2000 30 years + 30 years	M& H Contract 26.3.2001
36.	WP(C) No. 4887/07 Samiran Dass v. UOI	15 Cottahs Rs.12,400/- pm with 15% increase every 5 years	20.12.1999 w.e.f. 1 st October, 1999 30 years	M& H Contract May, 2001
37.	WP(C) No.1776/07 Dinesh Kumar Tiwari v. UOI	1260 sq.mtrs Rs.3,100/- pm with 15% increase every 5 years	17.10.2002 15 years from the date of commissionin g of RO	M& H Contract
38.	WP(C) No.6583/07 Sohan Singh v. UOI	2006.7 sq.mtrs Rs.7700/- pm with 10% increase every 5 years. Will be reduced to Rs.3,900/- per month if allotted to nominee, but no guarantee of allotment.	26.5.2003 30 years	M& H Contract 30.6.2003
39.	WP(C) No.1965/07 Alok Kr. Jaiswal v. UOI	1800 Sq Mtrs Rs. 16500/- pm with increase in rent by 10% every 5 years	30/04/2003 30 years lease	M&H Contract

40.	WP(C) No. 2391/2007 Smt. Milan Rani v. UOI	27000 Sq Mtrs Rs. 12000/- pm	21/05/2003 15 years	M& H Contract 21/04/2003
41.	WP(C) No.990/07 Saurabh v. UOI	1369 Sq. Mtrs. Rs. 5000/- with increase in rent by 10% every 5 years	24/05/2003 30 years lease	M&H Contract 24 th October 2003
42.	WP(C) No.2444/07 Mohd Shahnawaz v. UOI	1826.83 Sq. Mtrs. Rs. 5700/- with increase in rent by 10% every 5 years	28/05/2003 15 years lease	M&H Contract
43.	WP(C) No.3325/07 Surinder Pal Singh v. UOI	1620 Sq. Mtrs. Rs. 4000/- with increase in rent by 10% every 5 years	28/05/2003 30+ 30 years	M&H Contract
44.	WP(C) No. 2389/07 Rajesh Kr. Pandit v. UOI	The petitioner is not the Owner of the land he has executed a sublease in favour of IBP.		M&H Contract 28 th May 2003
45.	WP(C) No.3815/07 Anil Kumar v. UOI	1620 Sq. Mtrs. Rs.1100/- Staggered every 5 years	29/04/2003 30 years lease	M&H Contract 20.3.2001
46.	WP(C) No.3801/07 Deepak Kumar v. UOI	2529 Sq. Mtrs. Rs. 5000/- with increase in rent by 10% every 5 years	8.11.2002 15 years lease	M&H Contract

47.	WP(C) No.6887/07 Harinder Singh v. UOI	1673 Sq. Mtrs. Rs. 5200/- with increase in rent by 10% every 5 years	26/05/2003 30 years lease	M&H Contract
48.	WP(C) No.5322/07 Pradeep Kumar Ghosh v. UOI	4451 Sq. Mtrs. Rs. 4500/- with increase in rent by 10% every 5 years	Commencing from 1/2/2003 15 + 15 years	M&H Contract 2.8.2003
49.	WP(C) no. 19021-22/06 Krishna Kumar Singh v. UOI	Land Measuring 3474.12 sq mtrs 11500/- pm with an increase of 15% after first fifteen years	17/09/2002 30 years (15 + 15)	M&H Contract 10/10/2005
50.	WP(C) No.1137/07 Vinod Kumar v. UOI	2500 Sq. Mtrs. Rs. 4900/- with staggered every 5 years	24.7.2003 30 years	Ad hoc dealership
51.	WP(C) No. 2101/07 Amar Nath Singh v. UOI	3025 sq mtr Rs. 5500/- with 10% increase every 5 years.	28/09/2002 15 years + 15 years	M& H Contract
52.	WP(C) No.2738/07 Smt.Sudesh v. UOI	2813Sq. yds. Rs.3,300/- with increase in rent by 10% every 10 years	18.10.2002 30 years lease	M&H Contract
53.	WP(C) No.2763/07 Pawan Kumar v. UOI	31532.1 Sq. ft. Rs. 8000/- with increase in rent by 10% every 5 years	28/05/2003 15 years lease	M&H Contract

54.	WP(C) No.2820/07 Sunil Malik v. UOI	25000 Sq. ft. Rs. 20,000/- + Rs.25,000/- p.m.	6/04/2000 5 years + 5 years	M&H Contract
55.	WP(C) No.3460/07 Jagdish Chander v. UOI	1515.08 Sq. Mtrs.	23/04/2003 30 years lease	M&H Contract
56.	WP(C) No.5667/07 Poonam Jaiswal v. UOI	3750 Sq. ft. Rs.10,000/- with increase in rent by 10% every 5 years	18/07/2000 30 years lease	M&H Contract 22.6.2000
57.	WP(C) No.3420/07 Sandeep Singh v. UOI	Petitioner M&H Contractor		M&H Contract 28.6.2002
58.	WP(C) No.2758/07 Sanjeev Kumar v. UOI	Rs. 4200/-		M&H Contract
59.	WP(C) No.3661/07 Bishwanath Pd. Jaiswal v. UOI	1394.4 Sq. Mtrs. Rs. 3000/- (Rent shall start only after commission of COCO) with increase in rent by 10% every 5 years	6/05/2003 15 + 15 years	M&H Contract
60.	WP(C) No.3359/07 Amarjeet Singh v. UOI	1114.96 Sq. Mtrs. Rs. 5500/- with increase in rent by 10% every 5 years	Commencing from 27/09/2002 30 years lease	M&H Contract

61.	WP(C) No. 19023-24/06 Shama Praveen v. UOI	Land measuring 3717.34 sq. mtrs 9750/- pm with an increase of 15% after first fifteen years	04/10/2002 30 years (15 + 15)	M&H Contract w.e.f 27/10/2005 to 26/10/2007
62.	WP(C) No.3523/07 Krishna Kumar Sutania v. UOI	19575 Sq. ft.. Rs.13,000/- with increase in rent by 10% every 10 years	1.8.2003 30 years lease	M&H Contract
63.	WP(C) No. 19019-20/06 Jasbir Singh Bal v. UOI	2025 Sq Mtrs Rs.10,000/- with increase in rent by 10% every 5 years	28 th May 2003 30 years lease	M& H Contract
64.	WP(C) No.3745/07 Shyamal Chatterjee v. UOI	4082 Sq. mtrs. Rs.7,200/- with increase in rent by 10% every 5 years	21.1.2003 15 years lease	M&H Contract
65.	WP(C) No.3849/07 Ravi Shankar Singh v. UOI	1534.91 Sq. mtrs. Rs.11,000/- with increase in rent by 10% every year	15.7.2003 with effect from 31.5.2003 15 years lease	M&H Contract
66.	WP(C) No.3828/07 Rakesh Kumar Mittal v. UOI	2529 Sq. mtrs. Rs.17,000/- with increase in rent by 10% every 5 years	30.10.2002 15 years lease	M&H Contract 30.10.2002

67.	LPA No.159/07 IBP v. Saurabh Kumar Dixit	3518 Sq. mtrs. Rs.8,400/- with increase in rent by 15% after 15 years	16.10.2002 15+15 years lease	M&H Contract
68.	WP(C)No. 3459/2007 Dharampal Goyal v. UOI	Rs. 5000/-- pm with increase in rent by 10% every 5 years	09/06/03 30 years lease	M&H Contract 27/06/2003
69.	W.P.(C) 18261/06 POONAM GARG AND ORS. v. UOI	3025 sqm. Rs. 8000/- pm	17/10/2002 15 years + 15 years at an increased rent of Rs. 9600	
70.	LPA 158/07 IBP Co. Ltd v. Nand Kishore Bajpai	Land measuring 1620 sq mtrs Rs. 5000/- pm with increase in rent by 10% every 5 years	24/05/2003 30 years lease	M&H Contract w.e.f.- 30/05/2003
71.	WP(C) No. 2322/07 Khurshid Ahmed Chippa v. UOI	1839.42 sqm Rs. 2000/- pm 10% increase every 5 years	commencing from 29/11/2002 19 years, 11 months + 10 years	M&H Contract, 30/11/2002
72.	WP(C) No. 2255/07 Mohd Hasan Imam v. UOI	56115 sq. ft Rs. 21000/- pm 10% increase every 5 years.	01/01/2001 21 years	M& H Contract, 18/03/2004

73.	WP(C) No.3957/07 Roshan Lal v. UOI	16 Kanals 10 Marlas Rs.9,000/- with increase in rent by 10% every 5 years	Commencing from 25.9.2000 33 years lease	
74.	WP(C) No.2445/07 Satya Narain Kr. Singh v. UOI	25270 Sq. ft. Rs.10,000/- with increase in rent by 10% every 5 years . Increased to Rs.12,000/- w.e.f. 1.4.2008 as few additional facilities provided	Commencing from 31.3.2003 15 years lease	M&H Contract w.e.f. 29.3.2003
75.	WP(C) No.3958/07 Balraj Singh v. UOI	8094 Sq. mtrs. Rs.17,500/- with increase in rent by 10% every 5 years	Commencing from 15.7.2000 30 years lease	M&H Contract

Hindustan Petroleum Corporation Limited

S.No	Case No. & Party Name	Area & Rent	Date & Duration of Lease Deed	Nature & Date of Contract
1.	WP C No. 491/2007 Ram Chander Raheja v. UOI	1822 sq mtrs. 3000/- pm staggered increase every 5 years	06/10/2003 30 years	M&H contract 27.09.2004.
2.	WPC No. 206/07 Amar Singh v. UOI	2025 Sq Mtrs Rs.5100/- with increase in rent by 10% every 5 years	11/09/03 30 years	M&H Contract 15 th April 2006

3.	WPC No. 1067/07 Bharat Bhushan Bansal v. UOI	2650 Sq Mtrs Rs. 4081/- pm with staggered increase every 5 years.	01/03/2004 30 Years	01/03/2004 Adhoc Dealership
4.	WPC No. 4886/07 Ram Pal Singhla v. UOI	3025 Sq Mtrs Rs.7000/-	04/03/04 30 years	Ad hoc dealership
5.	WPC No. 2026/07 Deep Chand v. UOI	2400 Sq Mtrs Rs.3500/- staggered increase every years	07/08/03 30 years	Ad hoc dealership
6.	WPC NO. 1157/07 Chandra Mohan Nath v. UOI	2500 sq mtrs. Rs. 4000/- pm with staggered increase every 5 years.	30/01/2003 30 Years	1/04/2003 Adhoc Dealership
7.	WPC No. 2008/07 Smt Aneel Maan v. UOI	2 kanal 8 Marla Rs. 11600/- pm increase in rent by 5% every 5 years.	25/02/2004 30 years	M&H Contract 28/02/2004
8.	WP(C)1642/07 Parmod Sharma v. UOI	Petitioner not land owner		Ad hoc dealership
9.	WPC No. 2054/2007 Hans Raj Tuteja v. UOI	2500 sq. mtr. 10000/- pm	w.e.f 01/04/2004 30 years	M&H Contract 01/09/2006

10.	WPC No. 203/07 Chandra Pal Singh v. UOI	1800Sq Mtrs Rs. 4267/- pm with increase in rent by 10% every 5 years	10/09/03 30 years lease	M&H Contract 15 th April 2006
11.	WPC No. 2390/2007 Mohan Lal v. UOI	1400 Sq Mtrs Rs. 2800/- pm 15% increase every five years.	18/02/2001 30 years	Temporary dealership 10/03/2003
12.	WP(C) 1641/07 Vinod Kumar v. UOI	Petitioner Not land owner		Temporary dealership w.e.f. February, 2005
13.	WPC No. 1397/07 Brij Bihari v. UOI			Ad hoc dealerships 09.09.2004
14.	WP(C) 2760/07 Baldev Singh v. UOI	1400 Sq.mtrs Rs.6,500/- staggered every 3 years	17.9.2003 30 years	Ad hoc dealerships 25.7.2003
15.	WP(C) 4567/07 Jit Singh v. UOI	2025 Sq.mtrs Rs.900/-	12.6.2003 30 years	Ad hoc dealerships 26.5. 2003
16.	WP C No. 1792/2007 Ram Gopal V. UOI	2500 sq mtrs. Rs. 3400/- pm with staggered increase every 5 years.	06/10/2003 30 Years	M&H contract
17.	WP(C) 4462/07 Lakhi Ram Garg v. UOI			Temporary Dealer 6.11.2004

18.	WP(C) 1559/07 Ashok Kumar v. UOI	2459.55 sq.mtrs Rs.1200/- staggered increase	1.3.2005 30 years	Temporary Dealer 7.3.2005
19.	WP(C) 4465/07 Prabha Chhabra v. UOI	1764 sq.mtrs Rs.4000/- with 5% increase every 5 years	w.e.f.15.8.2003 30 years	Temporary Dealer 30.9.2003
20.	WP(C) 2442/07 Meghna Singh v. UOI	3084.47 sq.mtrs Rs.14,500/- with 5% increase in every 5 years	w.e.f. 1.8.04 30 years	Temporary Dealer
21.	WP(C) 4566/07 Raman Balasubramanian v. UOI		28.2.2002	Ad hoc dealership 25.7.2003

Bharat Petroleum Corporation Limited

S.No	Case No & Party Name	Area & Rent	Date & Duration of Lease Deed	Nature & Date of Contract
1	WP(C) 1843/07 Jagdeep Sharma v. UOI	8092.48 sq.mtr Rs.4800/- p.m. 15% increase every 5 th year	20.06.2003 30 years w.e.f. 1.7.03	Ad hoc dealership July, 2003
2.	WP(C) 3194/07 Sunita Goel v. UOI	4300 sq.mtr Rs.2750/- p.m. 25% increase every 5 th year	06.04.2004 30 years	Ad hoc dealership Letter dated 23.4.07 informing about discontinuation of Ad hoc dealership
3.	WP(C) 1857/07 Priyanka Jain v. UOI	1600 sq.mtr Rs.3000/- p.m. 15% increase every 5 th year	17.11.2003 30 years	Ad hoc dealership 30.9.2003

4.	WP(C) 1856/07 Smt. Naresh Jain v. UOI	2025 sq.mtr Rs.5000/- p.m. 15% increase every 5 th year	18.11.2003 30 years w.e.f. 1.11.03	Ad hoc dealership 20.11.2003
5.	WPC No. 1452/2007 Shiv Charan Lal v. UOI	Rs. 6500/- pm 1680 sq mtrs	w.e.f 1/03/03 30 years lease with increase in rent by 25% every 5 years	27/06/03 Petitioner claims that Retail outlet under land owner category allotted on 27/06/03
6.	WPC No. 1842/07 Tej Bir Singh v. UOI	Rs. 16500/- pm 5178.24 sq mtrs	08/08/2002 w.e.f 01/06/2002 45 years. 20% increase every 5 years	08/10/2002 Adhoc dealership
7.	WP C No. 1925/2007 Subhash Chander v. UOI	Rs. 10,000/pm 3510 sq mtrs	1 st April 2003 50 years with staggered increase every five years	Petrol pump commissioned on 13/07/2003
8.	WP C No. 1921/2007 Asha Ram v. UOI	Rs. 3967/- pm 3174 sq mtrs	1 st July 2003 30 years with 15% increase very year on a cumulative basis	Adhoc dealership June-July 2003. being run through a firm in which the petitioner is a partner.
9.	WPC No. 1920/2007 Amarjit Bansal v. UOI			Petrol pump run by firm wherein the brother of the petitioner is a partner from July 2003

10.	WPC No. 1858/2007 Major Girish Chandra (Retd) v. UOI	RS. 8000/- 2561 sq mtrs.	01/12/2003 30 years with 25% increase very year on a cumulative basis	Adhoc dealership from 21 st January 2004.
11.	WPC No. 1987/2007 Sanjeev Kumar Narula v. UOI	6300/- pm 3600 Sq Mtrs.	Wef: 01/04/2003 40 Years with 20% increase every 5 years on cumulative basis	Dealership offer vide interview letter dated 6 th March 2006
12.	WP(C)No. 1553/2007 Balvinder Singh v. UOI	6580 Sq mtrs. Rs. 8000/-pm with 15% increase every 5 years	01/03/2003 for 40 years	Adhoc/Temp orary dealership from 11/07/2003
13.	WP(C) No.1880/07 Inderjeet Singh v. UOI	1600 sq mtrs Rs. 4800/- pm with increase in rent by 15% every 5 years	w.e.f 01/09/2003 30 years lease	Adhoc dealership September 2003 – continuing till date

Indian Oil Corporation Limited

S.No	Case No & Party Name	Area & Rent	Date & Duration of Lease Deed	Nature & Date of Contract
1.	WP(C) No. 1285/2007 Rajesh Bora v. UOI	5000 sq.ft. Rs.7500/- pm 10% increase every 5 years	24/07/2003 29 years	M&H Contract 18.8.2003

8. From the records placed before us we find that a contention with regard to want of territorial jurisdiction to entertain the writ

petitions was also raised at the time of arguments before the learned Single Judge and the said issue was argued before the learned Single Judge along with the contentions raised on merits of the writ petitions. When these matters were taken up by us it was submitted by the learned counsel appearing for the petitioners that legality of the policy decision of the respondents will have to be decided either by this Court or by some other Court and therefore, it would be appropriate if these matters which raise issues regarding policy matters of the respondents could be decided by this Court without going into the issue of territorial jurisdiction. We accepted the aforesaid proposition made at the time of hearing of the writ petitions as the head offices and registered offices of the four oil companies are located in Delhi and same issues and contentions arise for consideration in all cases. Therefore, we propose to dispose of these cases on merit and refrain from considering the issue with regard to want of territorial jurisdiction particularly when the counsel appearing for the parties have without reservation advanced lengthy arguments on the issues arising on merits of the writ petitions. To be fair to the counsel, the four oil companies did not press the objection to territorial jurisdiction strongly. They too are interested in early disposal of

the petitions.

9. The above oil companies had in some cases issued advertisements or invited offers from landowners for leasing out their lands to the oil companies for the purpose of setting up petroleum retail outlets and in other cases the land was taken on lease directly. Separate contracts or lease deeds were entered into between the oil companies and the land owners. Rate of rent was negotiated and rent was settled depending upon location, area, volume of traffic, etc. Salient clauses of the lease deeds are as under:

“IV. 1. The Lessee shall have full liberty to assign, transfer or sublet the demised premises or any part thereof without restriction and without reference to the lessors.

.....

4. Notwithstanding anything herein before contained if the Lessee for any reason wishes to terminate this lease at any time during the said term it shall be at liberty to do so on giving the Lessors one month's notice in writing of its intention in that behalf and then, in such a case immediately on the expiration of the period of such notice this lease shall terminate and everything herein contained shall cease and be void and the Lessee shall have the right to remove all such building, structures, boundary walls, plants, tanks, fixtures, fittings or other appliances as may have been and/or shall be put or erected by it on the demised premises at its own cost.

10. Thereafter, separate contracts for maintaining and handling the retail outlets set up on the leased lands were entered into by the companies, with these contractors who came to be referred to as M&H contractors. These contracts are for a limited period as has been mentioned in the respective contract agreements. These retail outlets are called “Company Owned Company Operated” or COCO, though in actual practice the outlets were being operated and run by M&H Contractors. The salient clauses of M&H Contracts are as under:

“28. The M&H Contractor in consideration of the services to be rendered under this Agreement will be paid lump sum contractual charges of Rs.---- per month for an initial period of three months (quarter) from -----to ----. Thereafter the monthly lump sum contractual charges for each quarter will be based on monthly average sales proceeds of three months. This monthly lump sum contractual charge payable to the M&H Contractor for the said quarter will be based on monthly average sales of immediately preceding three months and would remain static for each month of the quarter, irrespective of fluctuations in sales volume of each month. The lump sum contractual charges as above for the month would be paid to the M&H Contractor by 10th day of following month.

.....

48. The agreement will be effective from ---to --- subject to the renewal by one year at the Company’s option at the same rates, and on the same terms and conditions as are herein

contained. Without prejudice to the aforesaid, this Agreement maybe terminated at the option of either party by giving at least one month's notice in writing to the other party, without assigning any reason whatsoever in case of breach of contract the Company reserves the right to terminate this Agreement forthwith. Unless otherwise mentioned or renewed in writing this Agreement stands automatically terminated at the end of the agreement period if any information given by the M&H Contractor in his application for appointment shall be found to be untrue or incorrect, in material respect, the Company reserves the right to terminate this contract forthwith."

11. Pursuant to Notification dated 6th September, 2006, the four oil companies issued advertisements/invited applications for allotment of the retail outlets. On a perusal of the various contentions raised in the writ petitions we find that almost all the petitioners have sought for quashing of Notification No.P-19011/9/2001-IOC dated 6th September, 2006 issued by the Government of India, Ministry of Petroleum and Natural Gas, New Delhi, mainly on the ground that the same is not applicable to the cases of the land owners/M&H Contractors inasmuch as allegedly the petitioners or their nominees were given retail outlets under 'land owner category' in terms of the policy guidelines for selection of retail outlets/dealers in the de-regulated scenario, relying upon policy No. 319/02 dated 8th October, 2002. In the writ

petitions the petitioners have also sought for an order restraining the oil companies from enforcing/implementing the Notification dated 6th September, 2006. In the alternative, it is also prayed that if the aforesaid reliefs are not granted, at least an order should be passed directing the oil companies to surrender to the land owners the land taken on lease from them with a further direction that the land owners should be put in actual physical possession of the said lands which were assigned to the oil companies.

12. The Notification dated 6th September, 2006, issued by the Ministry of Petroleum & Natural Gas and addressed to oil companies, reads as under:

“Sub: Operation of retail outlets of OMCs on COCO basis:

“1. I am directed to state that in order to provide commercial freedom to the public sector oil marketing companies (OMCs), post Administered Pricing mechanism regime in the petroleum sector, it was decided by this Ministry vide its letter of even number dated 9.9.2003 that the OMCs would formulate their own policy and procedure for operating those retail outlets, where sites had been procured and facilities created, or which had been decommissioned because of termination of dealerships, on Company-Owned-Company-Operated (COCO)/ad hoc basis till regular dealers were appointed. However, this could not be formulated by the OMCs uniformly on industry basis so far. The matter has been in consideration for a long time

and a number of discussions were held in the Ministry, at different levels, with the OMCs.

2. With a view to finalising the guidelines, a meeting was again taken by this ministry on 19.7.2006, under the Chairmanship of Hon'ble Minister of State (Petroleum & Natural Gas), with the Chief Executives and other officers of the OMCs, where a 'presentation' on the subject was made by BPCL on behalf of the OMCs. Minutes of the meeting have been circulated to all concerned vide this Ministry's letter NO.R-30024/17/2006-MC, dated 27.7.2006. Based on the deliberations in the said meeting and meeting taken by Secretary (P&NG) on 25.7.2006 and various discussions held earlier, it has been decided to lay down the following broad parameters, on the basis of which the OMCs may finalise their guidelines for operation of company-owned-company-operated (COCO) retail outlets.

(i) While the OMCs may operate permanent COCO retail outlets (.i.e. Flagship ROs, Jubilee Retail Outlets, Model Outlets, etc) by their own officers (without job-contractors or ad hoc dealers), they should phase out the existing temporary COCO retail outlets within a time preferably within a year. However, in special circumstances like court cases, complaints, etc, they may have to operate some ROs on temporary COCO basis till final decision on those court cases/complaint.

(ii) The permanent COCO retail outlets should be operated by an officer of the OMC concerned being in overall charge of the outlet. If the OMCs so like, they may post their own personnel for running the permanent COCO ROs. In that case, no labour contractor should be appointed. In case OMCs are not able to deploy sufficient number of their own staff, the balance manpower

requirement may be arranged through a labour contractor. The OMCs should stop job-contractorship or ad hoc dealership for operating permanent COCO ROs and follow the model stated above or shift their such ROs into the category of temporary COCOs within a period of one month.

(iii) Selection of labour contractors should be in an open and transparent manner through advertisements only. OMCs should adopt objective parameters for evaluation of candidates for labour contractorship. These parameters should be uniform for all the OMCs. The labour contractor should not be asked to invest in working capital as the working capital has to be arranged by the OMC concerned for running of COCO Ros.

(iv) For the permanent COCO ROs the labour contractorship may preferably be given for a period of three years in the first instance, instead of the one year system being followed at present. After three years, the labour contractorship may again be advertised for selection.

(v) As regards temporary COCO retail outlets, the period of the labour contract should not exceed one year, by which time the action for appointment of dealers for the COCO Ros in question should be completed. Even for this period, the labour contractors, should be selected in the same open and transparent manner by advertisement, as a labour contractor is to be selected for a permanent COCO outlet.

(vi) The phasing out of temporary COCO ROs preferably within a year may be completed as follows:

The temporary COCO ROs, may first be

offered and handed over subject to suitability to the pending Letter of Intent (LOI) Holders under the following categories in the order these are indicated:-

(a) Special Scheme (Operation Vijay -Kargil), the Kargil allottees.

(b) Discretionary quota scheme

(c) Corpus Fund Scheme (SC/ST category of dealerships, widows and women above 40 years of age without earning parents)

(d) Other categories as prescribed in the marketing plans.

(e) The industry may pool their available temporary COCO Ros for offering to the categories under (a)& (b) above. In case no LOI holder under these categories are available, then these dealerships should be advertised for selection of dealers under normal process.

(vii) The OMCs should stop job contractorship or ad hoc dealership for operating the temporary COCO ROs also. The system of ad hoc dealership may be resorted to only in cases of dealerships which have been terminated and where new dealers are to be appointed. The period of ad hoc dealership should not in any case be more than four months as ad hoc dealership violates the multiple dealership norms. If the dealer can not be appointed within this period of four months, the RO may be taken over by the OMC concerned and operated as temporary COCO with the selection of labour contractor by advertisement.

3. OMCs should frame their detailed guidelines, on the basis of above broad

parameters and with the approval of their respective Board of Directors without further loss of time as this has been long overdue. A copy of those guidelines after formulation may be forwarded to this Ministry for its record. It is stated that while laying down detailed guidelines, OMCs must ensure objectivity and transparency in the matter, and, as far as possible there should be uniformity in the guidelines of the OMCs. Further the guidelines should also be given wide publicity by way of hosting on the websites of the OMCs etc.

4. With the issue of this letter, any other instructions/letters issued by this ministry in the past, on the subject of running of retail outlets as COCO/adhoc basis, shall stand superseded.”

13. Till 31st March, 2002 only Public Sector Oil Companies were entitled to market petroleum products in retail. With effect from 1st April, 2002 Administered Price Mechanism (APM for short) was to be dismantled. Minister for Petroleum and Natural Gases chaired a meeting on 8th October, 1999 to frame and ensure that Public Sector Oil companies were able to meet the challenge and face competition after dismantling of APM with effect from 1st April, 2002. It was noticed on dismantling of the APM, Dealer Selection Board would be dissolved and certain amount of freedom had to be given to the oil companies to frame and follow their own policies to be competitive.

14. Accordingly in 1999 guidelines were framed by the Ministry of Petroleum and Natural Gases to ensure that the Public Sector Oil Companies were able to meet challenges post dismantling of APM with effect from 1st April, 2002. It was decided in 1999 that the Oil companies would purchase land or take land on long lease and set up petrol pumps and operate their own retail outlets. These outlets are called in the oil company parlance as “company-owned-company-operated” outlets or “COCO” outlets. It was felt that the COCO outlets would enhance the image of the public sector oil companies as there would be strict adherence of quality norms and quantity supplied to the retail customers. As the outlet was owned or on long lease with the public sector oil companies, it would not be possible for the private players to entice, woo and take over COCO outlets. The Ministry, therefore, formulated a policy in 1999 to purchase land or take land on long lease and establish COCO outlets. To ensure strict monitoring of quality and quantity of retail sales, a sales officer of the concerned oil company was to be entrusted each COCO outlet. The land owners were to be selected by selection process and M& H contractors were appointed to operate these outlets. M&H Contractors or labour contractors were to be selected independently. It is specifically

stated in the policy that landlord, existing dealer, distributor or Letter of Intent holder would not be appointed as an M&H contractor. M&H contract was to be for a period of one year and extendable by another year. Thus M&H contract could not be extended after two years. The restriction on appointment of an existing dealer, distributor or LOI holder was in accord with the policy against multiple dealership norms and to ensure that the public sector oil companies retain effective control over the leased property. The policy stipulated that M&H contractors will be paid consideration for providing supporting staff @ Rs.27,500/- per month for sales volume upto 200 Kiloliters per month. On higher sale volume, the M&H contractor would be paid higher amount as per grade formula. The expenditure for creating infrastructure and setting up retail outlet was to be incurred by the public sector oil companies. Stocks were to be supplied on transfer basis.

15. From the pleadings of the parties it is clear that in some cases the oil companies had appointed M&H Contractors. In some cases M&H Contractors were appointed after proper selection but in some cases M&H Contractors have been appointed without any selection process. It is also noticed that a few M&H Contractors were existing dealers or distributors or Letter of Intent holders of

the oil companies. This was contrary to the policy decision of 1999. In some cases in fact oil companies have appointed ad hoc dealers by calling the retail outlets as temporary COCO retail outlets. The ad hoc dealers were appointed without any selection process and invariably were existing dealers or distributors. This was contrary to multiple dealership norms and, therefore, they were conveniently called “temporary COCO retail outlets” and/or “ad hoc dealerships”, least there is an allegation that the policy of 1999 is violated.

16. Noticing these draw backs and violation of the policy decision of 1999, Government of India, Ministry of Petroleum and Natural Gases issued a Notification dated 6th September, 2006. The Notification specifically mentioned that public sector oil marketing companies had not been able to formulate any policy on COCO outlets and ad hocism was prevailing. There was absence of uniformity and consistency. It was decided that the companies should operate permanent COCO outlets through their own officers and no labour contractor should be appointed for permanent COCO retail outlets. So called temporary COCO outlets are to be phased out within a period of one year by appointing a dealer or issuing Letter of Intent. Dealers or Letter of Intent holders have to be

appointed by selection process as per the criteria mentioned in the policy dated 6th September, 2006. During the transitory period, before regular dealerships are created it has been directed that labour contractors should be appointed to provide necessary manpower with certain stipulations and an outer time limit has been stipulated within which the Notification dated 6th September, 2006 has to be implemented.

17. It appears that after the APM was dismantled, one oil company, namely, IBP Company Limited had formulated a policy dated 8th October, 2002 for appointment of dealers. These policy guidelines continued till they were suspended in February, 2003 and finally superseded on 19th September, 2003. It may be relevant to state here that the other three oil companies namely, Hindustan Petroleum Corporation Limited, Bharat Petroleum Corporation Limited and Indian Oil Corporation Limited did not frame such policy as per the stand taken by them. The M&H Contractors or ad hoc dealers appointed by these three oil companies i.e. HPCL, BPCL and IOCL cannot therefore rely upon the policy guidelines dated 8th October, 2002 framed by IBP Company Limited. Relevant clauses of the guidelines of 8th October, 2002 are as under:

"POLICY GUIDELINES FOR SELECTION OF RETAIL
OUTLETS/DEALERS IN THE DE-REGULATED
SCENARIO.

Ref: Policy/MDPM/No.319/02 OCTOBER08, 2002

1. Procedure for locations outside Marketing
Plans

1. Categorisation:

For the purpose of selection procedure, the dealerships to be categorised as under and all Retail Outlets would be developed only on A/C SITES basis.

Category I Land Owners

- a) Land owned by the Dealer select
- b) Land owned by the Dealer Select and willing to sale/lease to the company
- c) Land with superstructure owned by the Dealer select and willing to sale/lease to the Company along with super structures.
- d) Any social worker/retired professional/person of repute arranging land from Govt. bodies/Govt. Sponsored autonomous bodies or long lease/purchase

.....

1.2 Procedure for Category -I (Land Owners)

The following procedure may be adopted both for cases where land is directly offered by the landowner as well as where there is no such direct offer. The company would prefer to take land on long lease of 15 years with renewal option of 15 years from private parties or as per Government norms wherever the land is procured from Govt. above subject to meeting Company's

prevalent IRR norms

.....

1.2.2 Appointment of dealership

Once land is found suitable based on preliminary economic assessment of potential/IRR the lease/sale offer will be evaluated/negotiated as per the existing policy for land procurement dated 20.06.02. In cases where more than one land is available, the evaluation/negotiation will be done with the candidate where land is found most suitable. On successful negotiation and after obtaining the approval of the competent authority, Letter of Intent will be issued to the landowner and further action taken towards procurement of land as per the existing policy. On completion of all the formalities the land owner/his or her nominee will be appointed as dealer and petrol pump commissioned.

.....

SELECTION PROCEDURE

Advertisement:

Selection of dealers will be done through advertisement in the newspapers and through IBP Website.

3.0 EXISTING JROs/COCOs:

The company is presently operating these thru M&H contractors. We may decide for operational reason, to appoint dealers to operate these JROs/COCOs, taking into account that (i) we propose to now pay greater focus on expansion of network (ii) get out of retailing business save a few selected JROs/COCOs which would be run by our officers and be flagships of the company.

The approving authority for such change

will be the concerned ED. The committee consisting of Head of Division/Marketing Head in Region/Finance Head in the Region would recommend such cases to their respective ED thru their RGMs. The dealership will be offered first to the landlord subject to his being found suitable.

In case the landlord declines to take/accept the dealership, it will be offered to the M&H contractor. In the event of the M&H contractor also declining to accept the dealership, the same will be offered to the best candidate available. The committee consisting of MHR, concerned Divisional Head and an Officer in Grade 'D' and above, would constitute the committee to select the candidate/dealer and recommend to the RGM for his approval and appointment."

18. Category-I of the said guidelines relates to the selection of dealers who were also land owners. Land owners could be selected as dealers provided they were willing to sell or lease their land to IBP Company Limited for a period of 15 years with a renewal option for another 15 years. In such cases after successful negotiations, a letter of intent was to be issued to the land owner and on completion of the formalities the said land owner or his/her nominee would be appointed as dealer and retail outlet commissioned. It is the case of IBP Company Limited that none of the petitioners had entered into any agreement as dealers of Category-I under the policy dated 8th October, 2002. It is the case

of IBP Company Limited that land owners had negotiated and entered into lease deeds with IBP Company Limited leasing out land to the said public sector oil company. IBP Company Limited has spent lot of money for creating infrastructure by constructing buildings, providing dispensing equipments, installing oil tanks etc. They have also set up service centers. It is the case of the oil companies that invariably they have spent between 30 to 50 lakhs for providing necessary infrastructure, equipments etc. It is pointed out that Category-I dealers mentioned under the policy dated 8th October, 2002 of the IBP Company Limited were required to provide infrastructure and spent money constructing petrol pumps, installing equipments, providing service centres etc. Such expenditures under Category-I should have been incurred by the land owner dealer himself as these were not to be COCO outlet, but land owner dealership outlets.

19. COCO outlet has been specifically mentioned and dealt with in the policy decision dated 8th October, 2002. Such dealerships were to be maintained by the company with M&H Contractors. However, the policy decision dated 8th October, 2002 also provided that in case it is decided to appoint dealers for COCO outlets, first choice and right of refusal would be given to the landlord. The

above clause in the policy dated 8th October, 2002 in fact shows that there was difference between Category-I land owner dealers and COCO outlets. The above policy guidelines were in force only till February 2003 when these were suspended and ultimately superseded by policy dated 18th September, 2003. Petitioners cannot claim any right under this policy which was operative only for a period of four months as the said policy had ceased to be operative from February, 2003. On the date when dealerships are being allotted, the said policy was no longer in vogue and applicable. In any case we are not dealing with any case where IBP Company Limited had entered into negotiations and decided to appoint dealers for COCO outlets during the period 8th October, 2002 till February, 2003. It is not the case of the petitioners that IBP Company Limited had offered dealership during this period. We may also note here that in majority of the cases lease in question or negotiations had taken place before or after 8th October, 2002 and February, 2003.

20. One of the contentions raised by the M&H Contractors was that they are paying licence fees which a dealer is required to pay for the dealership rights. On perusal of the facts we find that no such fees was to be paid by the M&H Contractors, licence fee is

payable only by ad-hoc dealers. The term “ad hoc – Dealer” is a misnomer as far as payment of licence fee is concerned, as in this respect there is no difference between ad hoc dealers and permanent dealers, except, but importantly ad hoc dealers have been appointed without any selection process and contrary to multiplier dealership norms. Further, as a means of abundant clarification, we would like to mention that in case of M&H contractors, it was the oil companies who were paying them, decided sums of money to enable them to run the outlet. Thus the said contention raised by the M&H Contractors is without any merit.

21. The learned counsel for the HPCL submitted that HPCL is not bound by the Policy Circular dated 8th October, 2002, as it has been issued by IBP Company and that HPCL has not taken any land on lease in terms of the said policy. It was brought to our notice that land was taken on lease by HPCL through advertisements issued for purchase/lease of land. It was specifically mentioned in the advertisement that the advertisement was only for taking land on lease or for purchase and not for offering dealership. It was submitted that the petitioners are bound by the clauses of the lease deed and that the M&H contracts categorically stipulates the

period of the agreements. It was also submitted that the similar petitions filed in various other High Courts have been dismissed.

22. Learned counsel for IOCL and BPCL reiterated the stand taken by the other oil companies, including that the Policy Circular dated 8th October, 2002 is not applicable to them.

23. It was also submitted that in the present petitions the Court would be concerned not with the dealership licences but only with ad hoc licences and Maintenance and Handling (M&H) contracts. It was further submitted by the counsel appearing for the respondents that the writ petitions have been filed merely on the apprehension of issuance of Notification dated 6th September, 2006 and that, as a matter of fact, there is no cause of action that has arisen in favour of the petitioners at this stage. It was contended that none of the petitioners fall within the category of land owners who had offered their lands specifically for running dealerships and, therefore, they cannot be said to be in any manner aggrieved. The next submission of the counsel for the respondents was that the concept and principles of legitimate expectation would not be applicable to the facts and circumstances of the present cases.

24. The other disputes raised are mostly matters relating to

disputed questions of fact and, therefore, they should have been actually raised by filing a suit or by taking resort to arbitration proceedings wherever parties are governed by arbitration clause. But as extensive arguments were made before us in the aforesaid manner with regard to merits of the writ petitions, we have no other alternative but to decide the aforesaid contentions in these writ petitions so as to bring a finality to the contentions raised before us.

25. On going through the records it is clear that the advertisements were issued by the oil companies on different dates pursuant to which lease agreements were entered into between the petitioners and various oil companies. In some of the advertisements issued by the oil companies particularly of BPCL, it carried a note to the effect that the advertisement issued is for requirement of land only and not for allotment of dealership. Being fully aware of the implications of the aforesaid condition, the land owners submitted their applications and on acceptance of their offers, executed consciously the lease deeds which did not contain any assurance for creation of any relationship of permanent dealership under the oil companies. A bare perusal of the stipulations in the lease deeds, which also are part of the records,

would indicate that none of the aforesaid lease deeds were executed with the intention of creating any allotment of dealership but were executed to create lease deeds for taking land for setting up of retail outlets by the oil companies. Similarly, the M&H contracts were entered into only for the purpose of running the COCO outlet for a limited period, under the supervision of the Sales Officer of the Oil company concerned. A closer look at the lease deeds would also make it crystal clear that in all the aforesaid lease deeds there was a clause granting liberty to the oil companies to create a sub-lease and that the owner of the land would not have any objection if someone else is appointed as a dealer. The said clause is again reproduced below for reference:

“The Lessee shall have full liberty to assign, transfer or sublet the demised premises or any part thereof without restriction and without reference to the Lessor.”

26. It is clearly established therefrom that the said clause empowers and authorises the oil companies to transfer the said property in favour of a third or outside party without any restriction. The enabling clause was used by the company to transfer the said property in favour of a third or outside party to run the retail outlet on ad hoc/temporary, or M&H Contract basis.

27. Our attention was also drawn to the policy circular dated 8th August, 2003 issued by IOC. Relevant clauses of the said policy circular are reproduced below for reference:

“Indian Oil Corporation Limited (HO Retail sales)

Policy Circular No.58-08/2K3

State Retail Heads

August 8, 2003

Sub: Operation of ROs on COCO basis

This is further to our letter of even no. dated 8.7.2003, on the subject vide which we had advised that in case of high potential locations, Land Owner's nominee (within family) can be appointed as COCO Contractor, without going through selection process, provided he is found capable of running the RO effectively.

The primary objective is to garner the targeted share of sales at such high potential locations. This objective can only be achieved if we appoint such individuals/parties as COCO Contractors, who can run the RO effectively and efficiently at these locations.

Keeping in view the above in respect of COCO ROs to be operated by the nominees of land owners, the following has been decided:

1.0 Landowner's nominees from outside family will also be permitted to be appointed as COCO contractors subject to the condition that no individual/party will be permitted to operate more than one COCO as Job Contractor, either individually or on partnership basis.

2.0 The land owner will be permitted to give a maximum of 3 nominations for the above purpose. The nominees will be assessed as per the criteria given in para 10 below and a panel of 2 candidates in order of merit, will be prepared.

The No.1 candidate in the merit panel will be awarded the Job Contract for operation of the COCO RO.

3.0 Eligibility Criteria

.....

3.2 Existing COCO Contractors will not be eligible to be appointed as COCO Contractor for another Retail Outlet.

3.3 An existing RO dealer cannot be appointed as COCO Contractor for more than one COCO. Also, an existing dealer will not be permitted to have one ad hoc dealership and one COCO contract.

.....

4.0 If the performance of the COCO Contractor is satisfactory, the tenure can be further renewed on year to year basis beyond the tenure as stipulated in our letter NO.RO/6060 dated 8.7.2003.

5.0 As and when the policy permits, dealerships will be awarded to the landowner or his nominee subject to the terms and conditions as may be applicable at that time.

6.0 Nomination of a person by the landowner as a contractor to run the Retail Outlet on COCO basis does not give any right to the landowner to make any claims on the Corporation on account of any acts or deeds or such person.

7.0 IOC will enter into two agreements i.e. one for acquisition of land with the landowner and the other one for award of job contract for COCO operation with the nominee of the landowner. The claims, responsibilities, obligations etc.,

arising out of these two agreements would be independent and will not have a bearing on the performance or non-performance of one upon the other.”

However, the lone Writ Petition where IOC is a party being WP(C) No. 1285/2007 titled as Rajesh Bora v. UOI, is not covered by the said policy, on two grounds, firstly, the lease in the instant case was entered into in July, 2003 and whereas the policy circular was issued in August of the same year. Secondly, the policy Clause No.7.0 clearly specifies that IOC was to enter into agreements for acquisition of lands with the land owners and not for lease. That being the case the petitioner in the above-mentioned writ will not be entitled to benefit of the said policy/circular as he had entered into lease agreement and not an agreement for acquisition of his land by the oil company.

28. It was pointed out during the course of arguments that the policy dated 8th October, 2002, on which strong reliance was placed by the counsel appearing for the petitioners, was issued in respect of only IBP Company Limited and that there is no such policy with reference to and concerning the other petroleum companies. It is the specific case of the respondents that none of the petitioners had been granted petroleum retail outlets by any of the oil companies. There could also be no dispute with regard to

the fact that there could be no vested or accrued right on any of the petitioners to be allotted with dealership licences for any petroleum retail outlet on the basis of their holding a lease deed or M&H Contract, unless there was an agreement and a lease deed was entered into with the said stipulation. This is not so in the present cases. Advertisements were issued by the oil companies seeking applications from the intending persons who were prepared to lease out their land or there was private negotiations for taking land on lease. Pursuant to the aforesaid advertisements or private negotiations, the petitioners offered to lease out their lands to the oil companies for the purpose of running retail outlets. The lease deed empowers the oil companies to terminate the lease at any time during the lease period after giving one month's notice to the lessor. The said clause reads as under:

“Notwithstanding anything herein before contained if the Lessee for any reason wishes to terminate this Lease at any time during the said term if shall be at liberty to do so on giving the Lessor one month's notice in writing of its intention in that behalf and then, in such a case, immediately on the expiration of the period of such notice this lease shall terminate and everything herein contained shall cease and be void and the Lessee shall have the right to remove all such building, structures, boundary walls, plants, tanks, fixtures, fittings of other appliances as may have been and/or shall be put

up or erected by it on the demised premises at its own cost.”

After obtaining the lease deeds as aforesaid, M&H Contract was executed by the oil companies with a third person, who in some cases is also one of the petitioners, by executing M&H Contract in his favour for a limited period of one to two years, to run the outlet on COCO basis under the supervision of the Sales Officer of the oil company concerned. M&H contract empowers the oil company to terminate the agreement/contract at the option of the company by giving one month's notice in writing without assigning any reason whatsoever.

29. It must be clearly understood that none of the writ petitioners challenged the legality of any of the notifications, issued by any of the oil companies or by the Central Government, except notification dated 6th September, 2006. Under the circumstances we are not required to examine the vires of any of those notifications/circulars. It is a well settled proposition of law that all provisions of law and the guidelines in the circular are deemed to be valid till they are declared invalid by a clear pronouncement. The courts are inclined to interfere only when the legality of the said circular/notification are challenged. Consequently, we have examined the contents of the various circulars which lay down

guidelines and mandate defining and earmarking the extent of rights that are meant to be given to the petitioners by the oil companies.

30. The petitioners have all contended that they have a “*vested right*” to be allotted the dealerships of the petrol pumps, that are being or will be operated out of the lands that they have given on lease. The said contention cannot be accepted as no where in the lease deed have the petroleum companies made any express or implied promise to the effect that the petrol pump dealership shall be handed to the landlords. In fact, the covenants of the lease deed suggest to the contrary. It is also pertinent to mention that the oil companies have incurred a huge amount of expenditure stated to be in the range of Rs. 30-50 Lacs on the creation of necessary infrastructure, at the sites selected for the setting up of the petrol pumps. It is common knowledge that setting up of a petrol pump involves a huge amount of capital expenditure, on dispensing equipment, building, storage facilities, etc. In the light of these facts, it would not be just to hold the oil companies to be bound by the promises they have never made, either in an express or implied manner. The term “*vested right*” has been defined in Black’s Law Dictionary (6th Edn.) at page 1563 as:

“Vested; fixed; accrued; settled; absolute; complete. Having the character or given the rights of absolute ownership; not contingent; not subject to be defeated by a condition precedent.”

The said definition was quoted with approval by the Supreme Court in Bibi Sayeeda and others v. State of Bihar and others reported in (1996) 9 SCC 516 and it was observed as under:

“Rights are ‘vested’ when right to enjoyment, present or prospective, has become property of some particular person or persons as present interest; mere expectancy of future benefits, or contingent interest in property founded on anticipated continuance of existing laws, does not constitute vested rights. In *Webster's Comprehensive Dictionary*, (International Edn.) at page 1397 ‘vested’ is defined as:

“[L]aw held by a tenure subject to no contingency; complete; established by law as a permanent right; vested interests.””

31. It is established from the records and in terms of the conclusions arrived at upon discussion and appreciation thereof that what is sought to be created by executing the lease deed was a jural relationship of landlord and tenant and that there was no assurance at any point of time by any of the oil companies to any of the land owners or to any contractor or any licensee of creating any dealership licence or right. Rights and duties of the landowners and the oil companies were governed by the lease deeds executed and COCO and M&H contract licences given and the petitioners

have no vested right to claim for execution of dealership licences in their favour.

32. We may also refer to letter dated 7th October, 2006 issued by the Senior Divisional Manager, IBP Company Limited addressed to Smt. Shama Pravin, a lessor, in reply to her representation for conversion of COCO outlet to dealership in the states of UP and Uttaranchal. Paragraph 2 of the said letter states that “according to the decision conveyed, the temporary COCOs may be offered to the LOI holders under special scheme (Operation Vijay-Kargil), Discretionary Quota Scheme, Corpus Fund Scheme, other categories in that order and the balance COCOs, if any, will be advertised for selection of dealers under normal process. The petitioners are neither LOI holders nor fall under any special category to be allotted dealerships on the basis of their lease deeds. Contract for Maintenance and Handling is entirely a separate agreement for running the COCO retail outlet under the supervision of the officers of the oil company. The retail outlet shall be owned and operated by the oil company but the persons engaged in selling the products of the oil company through the said retail outlet shall be employees of the contractor. The agreement specifically mentions that the company appoints the

contractors for performing various jobs at the COCO retail outlets to enable the company to provide services to the public at large. Under the contract the tenure of the agreement was for a period of one to two years with a provision for extension by one year. The oil company is at liberty to terminate the agreement by giving one month's notice in writing without assigning any reason whatsoever.

33. A bare perusal of the writ petitions, particularly the reliefs which are sought, establish that the writ petitions were filed merely on the basis of apprehension of Policy Circular dated 6th September, 2006. The said Circular does not deal with award of retail outlet dealership at all but deals only with and pertains to the COCO retail outlets. Such outlets, namely COCO outlets, are run by the oil companies through its contractors on the land taken on lease by the oil companies from landowners. It was mentioned in the said Circular that permanent COCO retail outlets should be operated by an officer of the company whereas existing temporary COCO retail outlets should be phased out preferably within a period of one year. A guideline is only issued by the said Circular laying down the policy as to how COCO retail outlets are to be managed with clear guidelines to stop appointing job contractors/maintenance and handling contractors for operating

permanent COCO retail outlets which are completely different and separate from retail outlet dealership. Dealership agreement/licence is completely a different notion and none of the petitioners hold any such agreement/licence, which is of permanent nature. Contentions raised therefore are totally baseless and not applicable.

34. The learned counsel for the petitioners have also contended that the action of the oil companies is liable to be struck down as they are violative of the legitimate expectation of the parties to get the dealerships translated into their names. It was contended that the contracts were given to the nominees/family members of the lessors and rents were commensurate with the contracts. Learned counsel for the oil companies on the other hand submitted that lease agreement and contract agreement are two separate, distinct agreements, independently entered into by the oil company, one for taking the land on lease and the other for granting contract for the purpose of dispensing the products of the oil companies under the supervision of the officers of the concerned oil company. The advertisements issued by the oil companies clearly state that the advertisement is for 'transfer of plot of land by way of outright sale/lease' and it nowhere states

that it is for allotment of dealership. The terms of the lease are clear and right to sublet is specifically conferred on the oil companies. The Policy guidelines dated 4th October, 1999 specifies that the labour contractor selected for running retail outlet on COCO basis will not be the landlord or dealer/distributor/LOI holder of any oil companies. Since the M&H contract is for only a limited period of one to two years with a provision for extension by another year, it can be said that it is of temporary nature. When the contract itself is of a temporary nature, the M&H contractors cannot claim regular dealerships on the basis of their contracts, invoking the theory of legitimate expectation. It was held by the Supreme Court in the case of Municipal Corpn., Chandigarh v. Shantikunj Investment (P) Ltd. reported in (2006) 4 SCC 109 that on account of theory of Legitimate Expectation the terms and conditions of agreement cannot be ignored, the court observed:

“Their Lordships propounded the theory of legitimate expectation. Legitimate expectation does not mean illegitimate flight of fancy. Legitimate expectation means what has been held out in the terms and conditions of the auction and the lease deed. Legitimate expectation and the provisions of the Act cannot be read together to mean that the terms of the auction and the lease deed should be ignored.”

Reference can also be made to the case of Bannari Amman Sugars.

Ltd. v. Commercial Tax Officer reported in (2005) 1 SCC 625, wherein the Supreme Court held that for legal purpose, expectation is not same as anticipation. The court also referring to the decision of Australian High Court in the case of Attorney General for New South Wales v. Quinn, reported in (1990) 64 Aust LJ 327 (Aust HC) observed :

"15. As observed in *Attorney General for New South Wales v. Quinn* to strike the exercise of administrative power solely on the ground of avoiding the disappointment of the legitimate expectations of an individual would be to set the courts adrift on a featureless sea of pragmatism. Moreover, the negotiation of a legitimate expectation (falling short of a legal right) is too nebulous to form a basis for invalidating the exercise of a power when its exercise otherwise accords with law. If a denial of legitimate expectation in a given case amounts to denial of right guaranteed or is arbitrary, discriminatory, unfair or biased, gross abuse of power or violation of principles of natural justice, the same can be questioned on the well-known grounds attracting Article 14 but a claim based on mere legitimate expectation without anything more cannot ipso facto give a right to invoke these principles. It can be one of the grounds to consider, but the court must lift the veil and see whether the decision is violative of these principles warranting interference. It depends very much on the facts and the recognised general principles of administrative law applicable to such facts and the concept of legitimate expectation which is the latest recruit to a long list of concepts fashioned by the courts for the review of administrative action must be restricted to the general legal limitations applicable and binding the manner of the future exercise of administrative power in a particular case. It follows that the concept of legitimate

expectation is “not the key which unlocks the treasure of natural justice and it ought not to unlock the gates which shut the court out of review on the merits”, particularly, when the elements of speculation and uncertainty are inherent in that very concept. As cautioned in *Attorney General for New South Wales* case the courts should restrain themselves and respect such claims duly to the legal limitations. It is a well-meant caution. Otherwise, a resourceful litigant having vested interest in contract, licences, etc. can successfully indulge in getting welfare activities mandated by directing principles thwarted to further his own interest. The caution, particularly in the changing scenario becomes all the more important.”

35. The learned Single Judge in the order dated 10th July, 2007 has observed that the lease agreement and the contract agreement are with separate petitioners and if they are taken conjunctively, they do not constitute a promise of allotment of a retail outlet/petrol pump. The learned Single Judge has also referred to the clauses of the lease deed and the M&H Contract to observe that the nature of the leases and the surrounding circumstances create serious doubts with regard to the claim of the petitioners. We agree with the observations made by the learned Single Judge in view of the above discussions.

36. In view of the aforesaid findings and the conclusions arrived at by us, we hold that the decision dated 16th January, 2007, rendered by the learned Single Judge is not good law and the same

is over-ruled by this decision.

37. However, we have segregated and separated some cases where there is some doubt that the land owner petitioners had entered into transactions with the oil companies based on some understanding or there are other circumstances, which require separate consideration. Suspicion in some cases has also arisen due to written communication and file notings of the respondents oil companies that the lease deed was entered with the objective that the land owner will be provided dealership. These cases will be dealt with separately and on their own merits. Details of these cases are given below:

Bharat Petroleum Corporation Limited : RESITEMENT CASES

S.No	Case No & Party Name	Area & Rent	Date & Duration of Lease Deed	Nature & date of Contract
1.	WPC No. 5238/07 Jagdish Singh Bhatti v. UOI	2813.82 sq.mtrs	16.6.2003 30 years	Ad hoc dealership
2.	WPC No. 1915/07 Rajnesh Thappar v. UOI			

3.	WPC No. 1912/07 Sanjeev Kumar v. UOI	1112 Sq Mtrs Rs. 9500/- pm 15% increase every five years	01/08/2003 30 years	Adhoc dealership
4.	WPC No. 1879/07 Narender Singh v. UOI	8300 Sq Mtrs Rs. 9850/- pm 25% increase every 5 years	01/08/1999 30 Years with	
5.	WPC No. 1836/07 Vivek Malhotra v. UOI	800 sq mtrs Rs. 19000/- with increase in rent by 25% every 5 years	29/03/2004 w.e.f 01/04/04 30 years lease	Adhoc dealership 28/04/04
6.	WPC No. 2000/07 Meera Kataria v. UOI	2090.32 sq. mtr. 2200/- pm 15% increase every 5 years	01/11/03 35 years	Adhoc dealership 25/11/2003

Letter for Preferential Allotment to LAND OWNER

S.No.	Case No & Party Name (IBP)	Area & Rent	Date & Duration of Lease Deed	Nature & Date of Contract
1.	WPC No. 2821/07 Sanjay Goel v. UOI	1871 sq.mtrs Rs.3600/- staggered increase	18.10.2002 30 Years	M&H Contract
2.	WP(C)2006/07 Dinesh Kumar v. Union of India (BPCL)	1800 Sq Mtrs. Rs. 6500/- pm 25% increase after 5 years	01/03/2003	27/06/2003 Adhoc dealership

3.	WP(C) 2761/07 Gaurav Gupta v. UOI	1260 sq.mtrs Rs.1000/- p.m. With increase of 15% every 5 years	w.e.f. 1.12.2004 31 years	COCO Operator
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38. It cannot also escape one's attention that, in two cases the rent agreed upon in terms of the lease is Rs. 200/- and Rs. 400/- p.m. These two cases are:

S.No	Case No. & Party Name	Area & Rent	Date & Duration of Lease Deed	Nature & date of Contract
1.	WP(C) No. 4359/07 Ashok Kumar v. UOI (IBP)	27.6 X 42.66 sq.mtrs + 1130 sq.ft rent free Rs.200/-	5.4.1994 15 Years	M&H Contract
2.	WP(C) 4467/07 Jaipi Kumar v. UOI(HPCL)	2025 Sq.mtrs Rs.400/-	22.1.2004 30 years	Ad hoc dealership 14.1.2004

This abysmally low rent raises the possibility of some sort of implied promise/understanding having been reached between the land owners and the oil company concerned with respect to allotment of dealerships. It is our considered opinion that detailed affidavits be filed by the parties in the aforesaid two cases, as in the absence of the same it would not be appropriate to decide them on merits.

39. In terms of the observations and findings, we allow the Letter Patent Appeals and dismiss all the writ petitions, except for the eleven writ petitions mentioned in paragraph Nos. 37 & 38 above. Accordingly, the aforesaid eleven writ petitions will have to be heard separately. We are of the opinion that in these cases counter affidavits would be necessary to decide the grievances and issues raised. The same may be filed within two weeks, if not filed already. Rejoinder may also be filed within two weeks thereafter. The said writ petitions may be listed for directions on 17th March, 2008.

CHIEF JUSTICE

(SANJIV KHANNA)
JUDGE

February 08, 2008
“v”