

**IN THE HIGH COURT OF JUDICATURE AT PATNA**

**Civil Writ Jurisdiction Case No.20692 of 2014**

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Krishna Kumari Yadav @ Krishna Yadav, wife of Sri Ranvir Yadav a Resident of Shambhawi Sadan , Chukti, P.O.+P.S.-Mansi, District-Khagaria, Bihar.

.... .... Petitioner

Versus

1. The Union of India through the Secretary Ministry of Petroleum and Natural Gas , Govt. of India Shastri Bhawan, New Delhi.
2. The Secretary, Ministry of Petroleum and Natural Gas, Govt. of India, Shastri Bhawan , New Delhi
3. The Chairman, Indian Oil Corporation Bandra (East) Mumbai.
4. The Regional Manager, Indian Oil Corporation Lok Nayak Jai Prakash Bhawan, Patna.
5. The Senior Divisional Retail Sales Manager, Indian Oil Corporation Ltd., Begusarai Divisional Office , Begusarai.
6. The Sri Divisional Regional Sales Manager, I.O.C .(M.D.), Begusarai.
7. The Chief Vigilance Officer, Indian Oil Corporation Ltd., Scope Complex, Lodhi Road, New Delhi.

.... .... Respondents

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**Appearance :**

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| For the Petitioner | : | Mr. K. N. Chaubey, Sr. Advocate<br>Mr. Nikesh Kumar, Advocate |
| For the I.O.C.     | : | Mr. K.D; Chatterji, Sr. Advocate                              |
| For the U.O.I.     | : | Mrs. Kanak Verma, Advocate<br>Mr. Amlesh Kr. Verma, Advocate  |

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**CORAM: HONOURABLE DR. JUSTICE RAVI RANJAN**

**ORAL JUDGMENT**

**Date: 09-02-2015**

I have heard Mr. K.N. Chaubey, learned Sr. counsel along with Nikesh Kumar, learned counsel for the petitioner, Mr. K.D. Chatterji, learned Sr. counsel for the Indian Oil Corporation and Mrs. Kanak Verma, learned counsel for the Union of India.

The petitioner is aggrieved by the communication dated 03.05.2014 (Annexure 9) issued by S.D.R.S.M, Begusarai on behalf

of the Indian Oil Corporation (Marketing Division) by which the letter of intent for the concerned location already issued in favour of the petitioner on 10.10.2013 has been withdrawn with immediate effect for the reasons quoted below:-

“Since only a part of the land is owned by you (which by itself, is not sufficient for development of the RO as per terms and conditions of the advertisement), for purpose of evaluation, the plot of land offered by should have been treated as a firm offer, as per clause 14(b) (v)-S no. 8 of the table. (relevant extracts are enclosed). For getting marks for a firm offer, a notarized affidavit from M/s Veerdon Pvt. Limited in your favour was required to be submitted by you with your application.

However, no such notarized affidavit was submitted by you, with your application Hence, you should have been awarded ‘0’ marks under parameter “Capability to provide land and infrastructure”, instead of 35 marks which was awarded to you after erroneously treating the entire plot as an owned land.

As per clause 17(a) of the Brochure, candidates scoring Nil marks under parameter “Capability to provide land and infrastructure” must secure full 25 marks under parameter “Capability to arrange finance.” You have secured 17 marks under this parameter and hence you are not eligible for selection for this location.”

Mr. Chaubey, learned Sr. counsel appearing for the petitioner, raises a short question. He submits that the letter of intent has been withdrawn on the basis of that part of the land concerned belonging to the M/s Veerdon Pvt. Limited which is a separate entity and, therefore, in place of 35 marks only 0 mark should have been given to the petitioner at the relevant time , whereas, minimum 25 marks were required for issuance of final settlement. He points out that such stand has been taken without proper examination of sale deed itself, a copy of which has been appended as Annexure 7 which



shows that the land has been purchased by the petitioner in her personal capacity and not by the company concerned. He contends that a Company cannot purchase property in the name of one of the members of the Board of Director including the Managing Director who is the executive head of the Company for the purpose of its management. That apart, the recitals also disclose that the property has been purchased by Smt. Krishna Yadav wife of Sri Ranvir Yadav, a resident of village Chukti, District-Khagaria, whose occupation is cultivation/agriculture and is a citizen of India. It is submitted that this description sufficiently explains that the same has been purchased in her personal capacity, however, it has also been stated that she happens to be the Managing Director of M/s Veerdon Pvt. Limited Company. He further submits that even the consideration money was also paid from the account of the husband of the petitioner through a demand draft and not a single penny of the company has been utilized for the purchase. Thus, the respondent Indian Oil Corporation, in order to ascertain as to whether the land actually belongs to the petitioner or the Company, should have at least issued a show cause notice to the petitioner so that these things could have been clarified but, at the first instance itself, the impugned letter has been issued for withdrawing the letter of intent earlier issued in favour of the petitioner.



Per contra, Mr. K. D. Chatterji, learned Sr. Counsel appearing for the Indian Oil Corporation, submits that the recitals of the sale deed would also show that the purchase was made by Smt. Krishna Yadav who happens to be the Managing Director of the Company, thus, in such a situation the concerned decision has been taken by the Corporation.

On consideration of the rival contentions, I find force in the submissions made on behalf of the petitioner.

In my considered opinion also, if the authority concerned of the Indian Oil Corporation found some ambiguity in the recitals of the sale deed then, before issuing such letter with respect to withdrawal of the letter of intent, it should have issued notice to the petitioner to clarify the things and after considering the reply of the petitioner, it should have taken a final decision. In the absence of that, the decision taken by the Corporation vide Annexure 9 cannot be sustained and, accordingly, the same is quashed and set aside.

Let the Indian Oil Corporation reconsider the grounds of the petitioner which has been raised in the writ application itself appending a copy of the sale deed and if after such reconsideration it comes to the conclusion that, in the facts and circumstances of the case, there is no requirement for withdrawal of letter of intent then they will proceed with the process of settlement of retail outlet with

the petitioner, however, if they come to the same conclusion that there is some ambiguity in the sale deed and there would be difficulty in proceeding in the facts and circumstances of the case then they may issue show cause notice upon the petitioner and after considering the reply they would be at liberty to take a decision in accordance with law specially when admittedly no third party right has been created as yet.

This writ application stands disposed of with the aforesaid findings and observations.

**(Dr. Ravi Ranjan, J)**

Sanjay-II/-

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