

Nalawade

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRT PETITION NO. 2307 OF 2015

Ravindra Sopanrao Ghanwat	..Petitioner.
vs.	
Hindustan Petroleum Corporation Ltd. and ors.	..Respondents.

.....
Mr. Tejas Dande with Bharat Gadhavi i/by Tejes Dande & Associates for the Petitioner.
Mr. Minoo Siodia with Ms. Ashiya Shaikh i/by M/s. Rustamji & Ginwala for Respondent No.1 to 3.
Ms. Manjiri Parasnis i/by Mr. P. M. Arjunwadkar for Respondent No.5.
Smt. S.V. Bharucha with Mr. D. A. Dube for Respondent No.6.

CORAM : R.M. BORDE AND
A.S. GADKARI, JJ.
DATE : 17th February, 2017

PC:

II

1. The petitioner is objecting to the order passed by the Petroleum Company on 27.1.2015 thereby rejecting and cancelling the Letter of Intent granted in favour of the petitioner on 21.8.2014.
2. The petitioner participated in the process of selection for appointment of dealer for the sale of Petroleum Products (LPG Gas). Since the petitioner was found to meet all requirements, the Letter of Intent came to be issued in his favour on 21.8.2014. The

letter of intent is conditional one. It is recorded in Para 3.2 of the Letter of Intent that in the event of noticing that the progress in setting up infrastructure is not to the satisfaction of the company, the offer is liable to be withdrawn. It is further clarified in the Letter of Intent Para 6.1 that the letter is merely a Letter of Intent and is not to be construed as firm offer of RGGLV. If it is noticed that the progress being made is not to the satisfaction, the Letter of Intent is liable to be withdrawn along with forfeiture of deposit.

2. On receipt of certain complaints, it was noticed by the Petroleum Company that, the petitioner has, in fact, played fraud in pointing out the site for the location of godown. On 22.12.2014, the petitioner requested to the Petroleum Company to grant extension of time for construction of godown. On receipt of the application and in pursuance of the further investigation it was noticed that the petitioner had raised construction of Godown in Gat No.61 instead of Gat No.65 and the same was demolished. In fact, Gat No.65 was cited at the time of site visit for construction of godown. The Petroleum Company informed the petitioner on noticing the deceit played

by the petitioner by letter dated 27.1.2015 warning him that in view of Clause 22 of the regulations since the petitioner has furnished false information, his application is liable to be rejected without assigning any reason. The petitioner, on 30.1.2015, sent written response to respondent No.1 admitting the factual situation that there exist residential building and commercial shops in Gat No.65(1) and he expressed willingness to demolish the same and requested for extension of time to construct the LPG Godown. In letter dated 27.1.2015 which is impugned in this petition, it is recorded as under:

“This refers to the subject matter, LOI for RGGLC at Chas, was issued to you vide letter dated 21/8/2014, we are in receipt of your letter dated 22.12.2014 seeking extension of aforementioned LOI period. However, during the recent investigation into the complaint alleging misrepresentation of facts by you in the process of dealership selection for Chas the following facts have come out clearly.

1. You had received primary approval for construction of Godown vide No.A/G/WC/MH/06/3063 (G38536) dated 11.9.2014 for Gat No.65/1, Wada to Khed Road, Chas, Taluka Khed, District Pune, and State Maharashtra. While the Godown Construction was completed as per the approval received from PESO, the same was completely demolished. Evidently the Godown was constructed on Gat No.61 (not owned by you or your family member), in place of Gat No.65, During field Verification of Credentials (FVC) you had shown Gat No.61 as Gat No.65, to the verifying officer, since Gat No.65 does not have a contiguous plot of required dimension for construction of godown. In fact Gat No.65 houses your residential building as well as commercial shops in addition to 2-Mobile Towers.

2. You have again taken primary approval from PESO for construction of

Godown vide No.A/G/WC/MH/06/3169 (G39056) dated 19.12.2014 on Gat No.65/1, Wada to Khed Road, Chas, Taluka Khed, District Pune, and State Maharashtra. The layout map for this new initial license shows the Gat N.65/1 which does not have a contiguous plot of 21 Mtr. X 26 Mtr. as required.

It is evident from the above that you had intentionally misrepresented facts to obtain favourable decision towards selection of LPG Dealership at Chas and you do not have a contiguous plot of 21 Mtr. X 26 Mtr. as required for construction of Godown.

Refer to clause 22 of Brochure detailing the guidelines for selection of RGGLV Dealership."

3. It is thus contention of the Petroleum Company that the petitioner has in fact misrepresented the company and has actually shown Gat No.61 at the time of site inspection as Gat No.65 and misled the company officials. The construction of

godown was actually raised on Gat No.61 instead of Gat No. 65 . The said construction carried out in Gat No.61 was required to be demolished, since the owner of the said Gat No. objected. It was revealed during inspection of the site that there are structures already existing in Gat No.65. It was thus confirmed that the petitioner has misled the Officers of the Petroleum Company. The conscious decision was thus taken to withdraw the Letter of Intent issued to the petitioner. It is noticed that the petitioner was made aware of the allegations and his reply was also sought. The petitioner has in fact tendered reply to the communication sent by the Petroleum Company raising objections prior to cancellation of LOI. Since it was noticed that the petitioner has misrepresented the Petroleum Company, we do not find any infirmity in the decision taken by the Petroleum Company in directing withdrawal of Letter of Intent. Merely, issuance of Letter of Intent does not vest any right or entitlement to claim dealership. The action of withdrawal of the Letter of Intent is perfectly in accordance with regulations framed by the Petroleum Company. In view of reason set out as above, no interference is called for

in exercise of the extraordinary jurisdiction under Article 226 of the Constitution of India. Petition being devoid of any substance, stands rejected. There shall be no order as to costs.

4. The petitioner seeks continuation of interim protection granted to him, to enable him to avail of further remedy. Since, it is noticed that, the petitioner has misrepresented the Petroleum Company and as such action taken was justified, do not find it proper to continue the interim relief granted earlier. The oral request is thus rejected.

(A.S.GADKARI, J.)

(R.M. BORDE, J.)