

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH**

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**CWP No. 1245 of 2017  
Date of Decision: 16.1.2018**

**M/s Vaibhav Forge Private Limited** .....**Petitioner**

v.

**Indian Oil Corporation Limited and another** .....**Respondents**

**CORAM HON'BLE MR. JUSTICE RAKESH KUMAR JAIN**

Present:- Mr. Harkesh Manuja, Advocate, for the petitioner  
Mr. Ashish Kapoor, Advocate, for the respondents

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**RAKESH KUMAR JAIN, J (Oral) :**

The petitioner has challenged the order dated 10.1.2017 by which allotment of LPG Distributorship made in favour of the petitioner company on 30.8.2016 has been cancelled.

In short, the Indian Oil Corporation Limited (in short 'the Corporation') issued an advertisement on 20.11.2013, in respect of 18 sites of LPG Distributorship to the individuals and non-individuals, under various categories throughout the State of Haryana. The petitioner had applied under the category of 'Non-Individuals'. The last date for submission of the application was 20.12.2013. The application was considered by the Corporation in which two deficiencies were found at the threshold; (i) resolution of company not attached and (ii) profit and loss statement of the last three financial years were not furnished in the application form. The petitioner removed the deficiencies by submitting the

documents. Thereafter, name of the petitioner was put in the draw of lots in which it was found successful. Accordingly, the petitioner deposited Rs.50,000/- for the Field Verification of Credential (in short 'the FVC'). It was brought to the notice of the petitioner that if in the FVC, the information given in its application, is found to be false/mis-represented, affecting its eligibility, then the amount of Rs.50,000/-paid by it for FVC, would be forfeited along with the cancellation of its candidature. The petitioner received the order of cancellation on 10.1.2017, by which the Corporation informed that during FVC, the information submitted by the petitioner was found at variance because the land offered by the petitioner for the show room was owned by one Pooja Jindal wife of Vijender Jindal, one of the Director of the petitioner company, whereas it should have been in the name of non-individual/institution. It is also mentioned in that cancellation order that even during FVC, the petitioner had confirmed that it does not have any alternative land for construction of show room.

Aggrieved against the said order dated 10.1.2017, the present petition has been preferred. Learned counsel for the petitioner has submitted that the respondents have committed an error in cancellation of its candidature because when the application was filed, it had noted 2 deficiencies, which were accordingly removed. Had the deficiency about not owning any show room by the petitioner been mentioned at that time, the petitioner would have cured the same as well. It is further submitted that even the petitioner has got the land by way of lease in its name for the purpose of construction of godown and has referred to lease deed executed by one Anju Gupta wife of Anil Kumar in its favour on 17.12.2013. It is, thus, submitted that since it has got the land, out of which the show room

could have also been constructed, therefore, the said land should have been taken into consideration, which was available with the petitioner even before the cut of date i.e. 30.12.2013.

In reply, learned counsel for the Corporation has submitted that allotment of the LPG Distributorship is governed by the Brochure on Guidelines for Selection of Regular LPG Distributors, August 2013 (in short 'the Brochure'). It is submitted that the candidature of a candidate, who has been selected in draw of lots, could be cancelled, if in the FVC, he is not found meeting the specific eligibility criteria. The Clause 'Own' means having ownership title of the property/registry, lease (minimum of 15 years) in the name of non individual institution as on the last date for submission of the application as specified in the advertisement/corrigendum. He also referred to the affidavit of the petitioner, in which he has offered the land for show room and godown separately. Para Nos. 4 and 5 of the said affidavit read as under :

*“4. That we had proposed in our application for showroom place located at Khewat No.742, Khasra No. 63/2 (2-2), measuring about 270 sq. yards and the said land is owned by Smt. Pooja Jindal, director of our company.*

*5. The company had proposed to have godown in the area at Rakba measuring 944 sq. yards at Khewat No. 742/618, Khatauni No. 1270, Khasra No. 63/2, through a lease deed executed between the owner Ms. Anju Gupta wife of Sh. Anil Kumar and Smt. Pooja Jindal, Director of the company. The said Patta Nama is executed for 15 years and is duly registered vide registration No. 6736 in the office of SR/Joint Registrar Officer at Bahadurgarh.”*

At the same time, it is also mentioned in the affidavit that the

the time of submission of the application i.e. 20.12.2013.

Learned counsel for the respondent has, thus, submitted that since the land for godown and show room separately offered at the time when application was filed, it has been considered by the respondents and the petitioner cannot claim that the land which has been offered for godown, may also be considered for the purpose of show room as well. Learned counsel for the petitioner has insisted that there is no provision in the Brochure that the land offered for the purpose of godown cannot be used for godown and show room.

I have heard learned counsel for the parties and after examining the record, am of the considered opinion that there is no merit in the present case. It is well settled that the allotment of LPG Distributorship is strictly governed by the provisions of the Brochure. The applications were invited from the non-individuals for the purpose of distributorship. The petitioner is, admittedly a non-individual, who has submitted the particulars of the land at the time of submission of his application for the purpose of construction of show room and godown separately. In so far as the land for the show room is concerned, that is admittedly owned by Pooja Jindal and is not owned by the non-individual i.e. the petitioner company, therefore, there is no error on the part of the respondents in rejecting the claim of the petitioner during the FVC, because it is provided in the Brochure that if during the FVC, any particular submitted by the petitioner is found wrong, then it would entail to the cancellation of its candidature and also forfeiture of the amount deposited at the time of FVC.

Learned counsel for the petitioner argued that the land offered by the petitioner for godown can also be used for the construction of show

room and godown both. The said argument is not acceptable because the petitioner has submitted the application by offering two separate pieces of land for the purpose of show room and godown. Had it been the spirit of the Brochure then the applicant could have offered only one piece of land, out of which both show room and godown could be constructed. Once the petitioner had submitted the application offering two pieces of land separately for shown room and godown, out of which he has failed to prove ownership for the land offered for godown then it cannot be said that the land offered for godown can be used for show room as well.

In view of the above, this Court is not inclined to interfere in the impugned order dated 10.1.2017.

The present petition is thus dismissed.

**(RAKESH KUMAR JAIN)**  
**JUDGE**

**16.1.2018**

*Ashwani*

Speaking/Reasoned  
Reportable

Yes/No  
Yes/No