

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.16812 of 2015

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

... .. Petitioner/s

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 Dy. General Manager RS Bihar State Office, Indian Oil Corporation Lok Nayak Jai Prakash Bhaw
6. The Senior Divisional Retail Sales Manager, Indian Oil Corporation Ltd., Begusarai Divisional office
7. The Sri Divisional Regional Sales Manager, I.O.C. M.D. , Begusarai
8. The Chief Vigilance Officer, Indian Oil Corporation Ltd., Scope Complex, Lodhi Road, New Delhi

... .. Respondent/s

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Appearance :

For the Petitioner/s	:	M/s Shekhar Singh, Sr. Advocate Nikesh Kumar, Advocate
For the Union of India	:	M/s Dr. K.N.Singh, ASG Manoj Kumar Singh, CGC
For the IOC	:	Mr. Ankit Katriar, Advocate

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CORAM: HONOURABLE JUSTICE SMT. G. ANUPAMA CHAKRAVARTHY

ORAL JUDGMENT

Date : 13-05-2025

1. The petitioner has filed the instant application for the following reliefs:

“ For issuance of an appropriate writ preferably in the nature of certiorari quashing the Letter ref. BSO/RS/RO/659



dated 7.5.2015 (as contained in Annexure-16) by which the respondents have justified their earlier action without appreciating the show cause submitted on behalf of the petitioner as they have withdrawn the Letter of Intent Ref. No. 2013 / IN000745 / BH/ 000039 /2304/00005 dated 10.10.2013 issued in favour of the petitioner for setting of retail outlet 'A' site, on the proposal location at Purvi Thati in Khagaria District on totally non- est ground being influenced by the candidate who was on the 2nd position in the interview and further issuance of writ preferably in the nature of mandamus directing the respondent Indian Oil Corporation to do the needful in terms of the Letter of Intent dated 10.10.2013 and all formalities done thereafter by the petitioner including incurring investment more than 25



lakhs and further for issuance of writ of certiorari quashing the re-advertisement dated 2.10.2013 particularly at Sl. No. 312 as continued in Annexure-12 and may pass such other order/orders as your Lordships may deem fit and proper in the facts and circumstances of the case..”

2. In nutshell, the contents extracted from the Writ petition are that the petitioner applied online pursuant to an advertisement dated 24.09.2011 issued by Indian Oil Corporation (Marketing Division) for appointment of a Retail Outlet petrol pump dealership at Purbi Thatha, within 1 km from Hanuman Mandir (in front of Hotel Pathik), District Khagaria, under the Open (W) category. In response, the Corporation issued an interview letter (Ref. BEGDO/RO/2011-12) dated 22.06.2012, fixing the interview for 12.07.2012. The petitioner appeared for the interview with all requisite documents, performed successfully, and



was ranked first among the two candidates interviewed—Ms. Shweta Bharti being the second. Following the interview, the Corporation issued a Letter dated 25.09.2012 (Annexure-2) to the District Magistrate, Khagaria, requesting for a No Objection Certificate. After completing all formalities, the Corporation issued a land inspection Letter dated 17.12.2012 (Annexure-3), and accordingly inspection was conducted on 19.12.2012. The authorities were satisfied with the land and its documents. Subsequently, the Corporation issued a Letter of Intent (LOI) to the petitioner on 10.10.2013 (Ref. No. 2013 / IN000745 / BH /000039 /2304/00005; Annexure-4), following which the petitioner invested around Rs. 25 lakhs for site development and infrastructure.

3. It is submitted by the petitioner that the District Magistrate, based on prior communication and subordinate reports, issued the NOC vide Letter No. 1842 dated 30.12.2013 (Annexure-5). In compliance with the Letter of Intent, the petitioner deposited the licence fee of Rs. 1,00,000/- with



NHAI on 21.10.2013 vide Demand Draft No. 730665 through Respondent No. 5, and the Corporation entered into a land agreement with the petitioner, fixing monthly rent.

4. It is submitted by the Learned Senior counsel for the petitioner that there were only two candidates for interview i.e., the petitioner and Ms. Shweta Bharti, W/o Shushant Kumar Yadav, R/o Chukti, P.S. Mansi, Khagaria. Notably, Ms. Bharti's brother-in-law, Shalil Kumar, and her husband's uncle, Ajay Kumar Akela, along with other relatives, operates multiple petrol pumps in the district. It is further submitted that to oust the petitioner and gain control of this outlet, they submitted three objections. The first two objections were investigated and dismissed as baseless. In the third objection, it was alleged that the petitioner was not the owner of Plot No. 150, Khata No. 34, Mauza Bhaktiyarpur (7.25 katha or 31.6 decimals), which was claimed to belong to M/s Veer Don Pvt. Ltd. The petitioner clarified that she purchased the land through her own income, jointly with her



husband, as reflected in the registered sale deed No. 5794 dated 05.09.2009 (Annexure-7). The land was paid for vide Bank DD Nos. 488456 (03.09.2009) and 492648 (15.11.2010), both drawn from the SBI Mansi account of her husband, Sri Ranbir Yadav. While the petitioner is also the Managing Director of M/s Veer Don Pvt. Ltd., the land was purchased in her personal capacity. This is evident from the sale deed where her profession is mentioned as “Kasthari”—a term not applicable to a company. The deed, mutation records, land receipts, and possession certificate, all stand in her individual name. Moreover, Register II shows her as owner under Jamabandi No. 500, and the Revenue Officer, Mansi, has certified Krishna Yadav W/o Ranbir Yadav as the landowner.

5. It is submitted by the Learned Senior counsel for the petitioner that despite submitting all relevant documents during the inquiry into the third objection, Respondent No. 6, allegedly acting with vested interest to benefit the second candidate, arbitrarily issued the impugned letter



(Ref. No. BSO/RO/Purvi Thatha dated 03.05.2014) withdrawing the Letter of Intent dated 10.10.2013 without affording any opportunity of hearing, thereby violating principles of natural justice. The petitioner then represented the matter before the Minister of Petroleum and Natural Gas, Government of India, and later before the Chief Vigilance Officer (Respondent No. 7) on 07.11.2014, expressing concern over the biased withdrawal of the Letter of Intent. However, no action has been taken to date. Meanwhile, the respondent Corporation re-advertised the same location in the Hindustan newspaper (Sl. No. 312) on 26.10.2014 for fresh allotment.

6. The Learned Senior counsel for the the petitioner contends that this re-advertisement is arbitrary, malafide, and unsustainable in law, particularly as she is the exclusive legal owner of the land. Therefore, the impugned order dated 03.05.2014 and the fresh advertisement dated 26.10.2014 should be quashed in the interest of justice.



7. It is submitted on behalf of the petitioner that faced with such situation, the petitioner preferred a writ petition bearing C.W.J.C. No. 20692 of 2014 before this Court which was heard in detail after giving opportunity to the Indian Oil Corporation and appreciating even their counter affidavit this Hon'ble Court has disposed off the writ petition by the following observation :-

"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."

8. The Learned Senior counsel for the petitioner submitted that Respondent No. 5, in clear defiance of the authoritative direction of this Hon'ble Court in C.W.J.C. No. 20692 of 2014—wherein the Court found merit in the petitioner's submission that the land in question belongs exclusively to her and not to M/s Veer Don Pvt.



Ltd., proceeded to issue a show cause notice dated 19.03.2015 (Ref. BSO/RS/RO/659; Annexure-14), directing the petitioner to respond. In compliance, the petitioner submitted a detailed reply (Annexure-15), reiterating that the land was purchased solely in her name and not in the name of the company. She enclosed supporting documents including the registered sale deed, copies of relevant bank statements showing payments made from her husband's SBI Mansi account, and other land ownership records. Despite this, Respondent No. 5, without properly appreciating the legal issues or the direction of this Hon'ble Court, passed the impugned order dated 07.05.2015 (Annexure-16), rejecting the petitioner's reply and reaffirming the earlier withdrawal of the LOI dated 03.05.2014. The order relied on flawed reasoning and documents allegedly procured from the petitioner in good faith by field officers of the respondent Corporation. The petitioner contends that this order is not only illegal but also amounts to contempt of the Court's



order dated 09.02.2015 in C.W.J.C. No. 20692 of 2014.

9. The Learned Senior counsel further submitted that Respondent No. 5 failed to properly consider the central legal issue—whether the land belongs to the petitioner or the company. It is emphasized that the land was purchased exclusively in the petitioner's name, which is supported by the mutation order, where her name appears as "Smt. Krishna Kumari Yadav, Director of M/s Veer Don Pvt. Ltd." and not as "M/s Veer Don Pvt. Ltd. through its M.D.". Additionally, Register-II, a conclusive government record, names Krishna Kumari Yadav W/o Sri Ranbir Yadav as the rightful owner. The land receipt and possession certificate also reflect her name individually.

10. The Learned Senior counsel further argued that the reference in the sale deed to her being Managing Director of the company is merely descriptive and not indicative of company ownership. The deed also mentions her profession as "Kasthkari," lists her personal address (not the



registered office of the company), and the land is not included in the company's assets. This was further confirmed by the submission of the company's Memorandum of Understanding and annual reports (2007-2010) during proceedings in C.W.J.C. No. 20692 of 2014, which revealed no company funds were used to purchase the land. The Hon'ble Court, satisfied with this evidence, had observed on page 4 of its order dated 09.02.2015: *"On consideration of rival contentions, I find force in the submissions made on behalf of the petitioner."* It is further submitted that the respondents based the impugned order primarily on a document dated 08.10.2012—minutes of a purported company meeting—allegedly authorizing the petitioner, as M.D., to lease the land. However, this document was taken from the petitioner under false assurances by field officers of the Corporation, who claimed it would help cure procedural issues post-LOI. This contradicts the Corporation's own stated policy that no document submitted after the application date would be



considered. Hence, the reliance on this document is arbitrary and unlawful, rendering the impugned order unsustainable in law.

11. The Learned Senior counsel for the petitioner submitted that the actions and inactions of the Indian Oil Corporation, culminating in the impugned order dated 07.05.2015, are not only illegal, malafide, arbitrary, and in violation of fundamental rights guaranteed under Article 19 of the Constitution, but also constitute a colourable exercise of power. Consequently, the fresh advertisement for the same location (Sl. No. 312) is also vitiated by bias and illegality. Hence, this writ petition.

12. A counter affidavit was filed on behalf of the respondent, Indian Oil Corporation Limited. It is stated that the subject location—Purbi Thatha, within 1 KM of Hanuman Mandir (in front of Hotel Pathik), District Khagaria—was advertised on 24.09.2011 under the Open (W) category for setting up a Retail Outlet (RO) petrol pump in Bihar. Two applications were received, and after



scrutiny and land evaluation, interviews were held on 12.07.2012. The following merit panel was declared: A. Smt. Krishna Kumari Yadav
B. Smt. Kumari Sweta Bharti

13. It is submitted that shortly after the interview, a complaint was received against the second candidate, which was duly considered and disposed of by the competent authority, thereby leaving the petitioner as the sole empanelled candidate. After Field Verification of Credentials (FVC), a Letter of Intent (LOI) was issued to the petitioner on 10.10.2013 (Annexure-4 to the writ petition). However, upon further examination, it was observed that the land offered for the dealership was partly in the petitioner's name and partly in the name of M/s Veer Don Pvt. Ltd., through its Managing Director, the petitioner herself. The sale deed showing ownership by the company is on record as Annexure-7. Moreover, no notarized affidavit from M/s Veer Don Pvt. Ltd. transferring ownership or rights in favour of the petitioner was submitted at the time of application.



As per applicable IOCL guidelines (Annexure R/1), since a private limited company has a distinct legal identity from its Managing Director, the offered land could not be deemed fully owned by the petitioner. Accordingly, she was not eligible for full marks under the parameter "Capability to provide land and infrastructure." Instead of the 35 marks earlier awarded, she was entitled to zero marks. Thus, the Letter of Intent was withdrawn by Letter dated 03.05.2014 (Annexure-9). Aggrieved, the petitioner filed CWJC No. 20692 of 2014. The Hon'ble Court disposed of the matter by order dated 09.02.2015 (Annexure-13), directing consideration of the petitioner's case.

14. It is submitted by the Learned counsel for the respondent Indian Oil Corporation that that in compliance, a show cause notice dated 19.03.2015 (Annexure-14) was issued to the petitioner. She submitted her reply (Annexure-15), received on 30.03.2015. After due consideration, the Corporation reaffirmed the Letter of Intent withdrawal through Letter dated 07.05.2015



(Annexure-16). The present writ petition challenges this order.

15. It is submitted by the Learned counsel for the respondent Indian Oil Corporation that no further action is pending, and since there is no other empanelled candidate, the location has been declared 'Nil selection.' Given the facts and circumstances, the writ petition lacks merit and is liable to be dismissed.

16. The petitioner has filed rejoinder to the counter affidavit in which he reiterated his stand as mentioned in the writ petition and justified his stand.

17. Heard the Learned Senior counsel for the petitioner Mr. Shekhar Singh as well as the Learned counsel for the respondents.

18. In first round of litigation, this Court vide order 09.02.2015 passed in CWJC No. 20692 of 2014 was quashed the communication dated 03.05.2014 (Annexure 9) and observed as follows

"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."

19. Upon perusal of the sale deed brought on record as *Annexure-7*, it is evident from the recitals therein that the property in question has been purchased by the petitioner, *Smt. Krishna Kumari Yadav*, wife of *Sri Ranvir Yadav*, whose occupation is recorded as *agriculturist* ("Kasthkari") and who is a citizen of India. The recital in the sale deed clearly indicates that the purchase was made in the petitioner's personal capacity.

20. This Court finds that while the petitioner is described in the sale deed as the Managing Director of *M/s Veer Don Pvt. Ltd.*, such reference appears merely to be descriptive of her designation and is not indicative of the company's ownership of the said property. The land in question is not reflected as part of the assets of *M/s Veer Don Pvt. Ltd.* Furthermore, the deed



reflects the personal residential address of the petitioner and not the registered office of the company.

21. In view of the above, this Court is of the considered opinion that the impugned decision of the respondent Corporation, as contained in *Annexure-16*, cannot be sustained in the eyes of law. Accordingly, the said order is hereby quashed and set aside.

22. Accordingly, this Writ petition is allowed.

23. Interlocutory Application(s), if any, shall stand disposed of.

(G. Anupama Chakravarthy, J)

Spd/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	15.05.2025
Transmission Date	

