

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.8309 of 2018

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Gunjan Choudhary Wife of Praveen Kumar Choudhary of Village - Kariyan,
Tola Gayghat, P.S. Rosara, District - Samastipur.

... .. Petitioner/s

Versus

1. The Hindustan Petroleum Corporation Ltd. Through Its Chairman 17, Jamshedji Tata Road, Mumbai-20
2. The Chairman, Hindustan Petroleum Corporation Ltd. through its Chairman 17, Jamshedji Tata Road, Mumbai-20
3. The Managing Director, The Hindustan Petroleum Corporation Ltd. Lucknow.
4. The Senior Regional Manager Retail Raghunath Palace, Har-Har Mahadeo Chowk, NH - 31, Begusarai.
5. The Deputy General Manager Retail Raghunath Palace, Har-Har Mahadeo Chowk, NH - 31, Begusarai.
6. The State of Bihar through the D.M. District Samastipur.

... .. Respondent/s

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Appearance :

For the Petitioner/s	:	M/s Anil Kumar Jha, Sr. Advocate Ashok Kumar Mishra, Advocate
For the HPCL		Mr. Neeraj Kumar Gupta, Advocate
For the State	:	Mr.Arvind Ujjwal- SC 4

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CORAM: HONOURABLE JUSTICE SMT. G. ANUPAMA CHAKRAVARTHY

ORAL JUDGMENT

Date : 18-08-2025

1. The petitioner has filed the instant application for the following relief(s):

“For issuance of an appropriate writ/writs and order/orders in the nature of certiorari for quashing the letter dated 16.03.2018, under ref. BRO/SBV/MKS/RET/DS issued under the



signature of Dy. General Manager, Retail (Respondent no. 6) by which the respondent authority has cancelled the advertised Location/Selection of the petitioner and withdrawal of letter of intent dt. 4/4/17 and further in the nature of mandamus for directing and commanding the respondent corporation to the finalization of selection process and grant and 07 MS/MSD Retail outlet dealership at the location in question to the petitioner and further for my other relief or reliefs for which the petitioner is entitled in the facts and circumstances of the present writ petition.”

2. In nutshell, the contents of the Writ petition are that the petitioner made an application along with required information and documents vide From No. 415/4 dated 20.01.2015, pursuant to Advertisement dated 17.11.2014 for appointment



of a retail outlet dealership at Location – Kariayan (SH-55) on Rosara, Baheri Road, District Samastipur under the “Open” Category.

3. It is contended by the petitioner that after verification and inspection by the Land Evaluation Committee (LEC) on 13.10.2016, the petitioner was selected for the retail outlet dealership. This was confirmed by letters dated 02.10.2016 (Annexure-1) and 27.10.2016 (Annexure-2) issued by the Senior Regional Manager, Retail, Begusarai. Subsequently, the respondent Corporation issued a Letter of Intent (LOI) dated 04.04.2017 (Annexure-3) offering the dealership to the petitioner.

4. The Learned counsel for the petitioner submitted that pursuant to the Letters of intent (LOI), the respondent Corporation sent a letter dated 06.04.2017 (Annexure-4) to the District Magistrate, Samastipur, requesting a No Objection Certificate for the said outlet dealership of the petitioner.

5. The Learned counsel for the petitioner



further submitted that the petitioner complied with all required formalities, and the S.D.O., Rosera, issued the NOC on 16.09.2017(Annexure-6). It is also stated that during the process, certain clarifications were sought by the authorities, which was duly addressed by the the petitioner.

6. It is submitted that despite of full compliance, the respondent corporation, vide letter dated 16.03.2018, cancelled the location and withdrew the LOI, citing a complaint dated 17.03.2017 which alleged that the advertised road was not a National Highway, but a PWD road. The respondent conducted an inquiry and confirmed the complaint.

7. The Learned counsel for the petitioner contended that the cancellation was effected without issuing any prior notice or providing an opportunity of hearing, thereby violating the Principles of Natural Justice.

8. It is further submitted that the petitioner have incurred substantial expenses in fulfilling the conditions of the LOI. Due to the abrupt



cancellation by the respondent Corporation, the petitioner has suffered irreparable economic, mental, and physical loss. It is further contended that there was no delay or default on the part of the petitioner and he complied with all terms and conditions of the advertisement and the LOI. Rather, the respondent corporation failed in its duty and acted arbitrarily and unfairly. Hence, the petitioner prays for the quashing of the impugned letter dated 16.03.2018 cancelling the dealership and withdrawal of the LOI. He further seeks a direction upon the respondent corporation to finalize the selection process in his favour.

9. The respondents Hindustan Petroleum Corporation Limited (HPCL) filed a counter affidavit stating that the selection process for retail outlet dealerships is governed by detailed procedures laid down in the guidelines published in the Brochure of the Corporation. The selection according to them, was conducted strictly in accordance with these guidelines.

10. The Learned counsel for the



Corporation submitted that the petitioner was the sole eligible applicant for the advertised location “Kariayan on SH-55, on Rosara-Baheri Road, District-Samastipur” under the “Open” category. As such, no draw of lots was required, the petitioner was selected, and a Letter of Intent was issued on 04.04.2017. It is further contended that while the process was underway, a complaint dated 17.03.2017 was received from one Sri Narayan Mahto, alleging that the advertised location was not on SH-55 but was on a PWD (Public Works Department) road. To verify this, the respondent sought clarification from the Executive Engineer, Road Construction Department (RCD), Rosera, via letter dated 17.08.2017. In response, the Executive Engineer, RCD, Rosera, vide letter No. 681 dated 05.09.2017, confirmed that the location “Kariayan” is situated on the Rosera-Shivajinagar-Bariyahi-Baheri Road, which is classified as a Major District Road. It was further clarified that the said stretch does not fall on SH-55 as advertised, but merely starts from SH-55 and joins SH-88.



11. The Learned counsel for the Corporation contended that upon confirmation of the error, the matter was escalated to the competent authority. With due consideration, the Corporation obtained management approval to cancel the erroneously advertised location. Consequently, the LOI issued to the petitioner was withdrawn vide letter dated 16.03.2018. It is further submitted that the cancellation of the location and withdrawal of the LOI were necessary actions taken in compliance with the guidelines and terms of the original advertisement. It is also submitted that as a Public Sector Undertaking, the Corporation was obligated to act in the larger public interest to ensure that no eligible candidate was deprived, due to a wrongly advertised location.

12. It is further submitted that although the petitioner, being the applicant, was aware of the mistake in the advertised location, he failed to inform the Corporation and instead attempted to take undue advantage of the error. It is further



submitted that the cancellation of the advertised location and withdrawal of the LOI were lawful, justified, and in accordance with the applicable procedures. Therefore, no fault lies with the Corporation, and the petitioner is not entitled to any relief.

13. Heard the Learned counsel for the petitioner as well as the Learned counsel for the respondents and perused the records.

14. The Learned counsel for the Corporation drew the attention of this Court to Annexure R/1, which is the notice for appointment of Regular/Rural Retail Outlet Dealership, wherein it is mentioned that *“The Corporation reserves the right to cancel/withdraw/amend this advertisement or extend the due date at its sole discretion without assigning any reason”*. It was further specifically submitted that setting up of retail outlet dealership/LPG distributorship is a business proposition aimed at the expansion of the marketing network, and the selection of dealership/distributorships is carried out strictly in



accordance with the guidelines approved by the Ministry of Petroleum & Natural Gas, Government of India. Accordingly, the Brochure for Selection of Dealers for Regular & Rural Retail Outlets dated 9th October, 2014 is applicable in the instant case.

15. In light of the facts and circumstances, this Court is of the considered view that once a standard is set out in the advertisement, the Corporation is entitled to cancel, withdraw, or amend the advertisement.

16. Therefore, the petitioner cannot claim any vested right to the grant of the retail outlet dealership at the location in question. This Court finds no error or irregularity in the order dated 16.03.2018 (Annexure-7), whereby the respondent authority cancelled the advertised location/selection of the petitioner and withdrew the letter of intent dated 04.04.2017.

17. In view of the above discussion, the Writ petition is liable to be dismissed.

18. In result, Writ petition is dismissed.

19. However, the petitioner is at liberty to



approach the Civil Court for damages against Hindustan Petroleum Corporation Limited for the expenditure incurred by the petitioner, for the pre-installation of the retail outlet at the instance of the respondent Corporation.

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

(G. Anupama Chakravarthy, J)

Spd/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	02.09.2025
Transmission Date	

