

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.12200 of 2018

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Priya Bharti Wife of Arun Kumar Resident of Village- Hathisar, P.O. Basant Patti, P.S. - Purnahia, District- Sheohar.

... .. Petitioner/s

Versus

1. The Union Of India through Secretary Ministry of Petroleum and Natural Gas
2. The M.D. Indian Oil Corporation, Indian Area Office Shakti Bhavan, Ist Floor Exhibition Road, District Patna
3. The General Manager, Indian Oil Corporation Ltd. Loknaya Bhavan, Dak Bunglaw Chowk, Patna.
4. Punam Kumari Wife of Satyanarayn Prasad R/o Village- Gokula, Prakhand, Chiraiya, District- Motihari East Champaran.

... .. Respondent/s

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Appearance :

For the Petitioner/s	:	Mr. Virendra Kumar
For the UOI	:	Dr. K.N.Singh, ASG
For the IOCL	:	Mr. Ankit Katriar, Advocate

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CORAM: HONOURABLE JUSTICE SMT. G. ANUPAMA CHAKRAVARTHY

ORAL JUDGMENT

Date : 02-09-2025

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

“(i) For issuance of appropriate writ/direction commanding the respondents appoint to the petitioner as L.P.G. Distributor for Gram Panchayat- Basant Jagjiwan, Block- Purnahiya, District- Sheohar, in the State of Bihar considering the Application Reference



No. IOC- 0231 23134- 17.07.2017 dated 17.07.2017 in view Advertisement of dated 17.06.2017 published by the respondents in Dainik Jagran Newspaper.

(ii) issuance For of appropriate writ/direction commanding the respondents to cancell/terminate the appointment of L.P.G. dealership of Respondent No. 4 on the ground of her in eligibility and further be pleased to appoint the petitioner in place of her, because the petitioner is adyact and more eligible for that purpose.

(iii) For issuance of such direction (s) writ(s), your which for lordships may deem fit and proper.”

2. The brief facts, as culled out from the Writ petition are that pursuant to the advertisement published in *Dainik Jagran* dated 17.06.2017, for the selection of L.P.G. distributors



under the Indane/Bharat Gas Gramin Vitrak Scheme, the petitioner submitted an online application on 17.07.2017 and her Application Reference No. was IOC-02312313417072017.

3. It is submitted that both the petitioner and Respondent No. 4 belong to the Other Backward Class category. As per the Unified Guidelines for Selection of LPG Distributors, June 2017, specifically as mentioned in Clause 3-B of the advertisement and the official brochure, caste certificates and other supporting documents must be made in the date prior to the last date for submission of applications, which was 13.08.2017.

4. It is further submitted that the petitioner claims that all her documents, including her caste certificate, were issued prior to the said cut-off date. However, according to the petitioner, the documents submitted by Respondent No. 4, including her residence, income, and caste certificates, were issued after 06.01.2018, which is much later from the last date for application.

5. The Learned counsel for the



petitioner submitted that the selection of Respondent No. 4 was illegal, discriminatory, and contrary to the established guidelines.

6. A counter affidavit was filed on behalf of respondent Indian Oil Corporation Limited. It is averred therein that the advertisement for appointment of Gramin Vitrak for Gram Panchayat – Basant Jagjiwan under the OBC (Women) category was duly published on 17-18.06.2017. Thereafter, an online draw was conducted on 01.01.2018 in which, 8 eligible candidates participated, and Smt. Punam Kumari (4th respondent) was selected. It is submitted that a Field Verification of Credentials was conducted in accordance with the Unified Guidelines (June 2017), during which all the information and documents submitted by 4th respondent were found valid and in compliance with the prescribed norms.

7. The Learned counsel for the Indian Oil Corporation Limited. contended that based on this, a Letter of Intent was issued to 4th respondent



on 06.04.2018, and upon fulfillment conditions, a formal Distributorship Agreement was executed on 04.10.2018.

8. It is further contended that as of now, the distributorship is fully operational under the name M/s Punam Indane Gramin Vitrak at Basant Jagjiwan, District - Sheohar / 4th respondent.

9. It is further contended that the petitioner cannot be appointed directly without following due process as per the guidelines. The selection process was duly conducted, and there is no evidence of any irregularity.

10. The Learned counsel for the Indian Oil Corporation Limited placed reliance on the judgment passed by a Co-ordinate Bench of this Court in ***Kaushal Kishore v. Union of India & Ors., (2000) 2 PLJR 475***, wherein it was held that once the selected candidate has made substantial investments, established the distributorship, and commenced operations, it would not be a proper exercise of judicial discretion to cancel the



allotment at a belated stage.

11. For better appreciation of the issue involved, the relevant portion of the judgment in ***Kaushal Kishore (supra)*** is reproduced below:

“7. But then the question which still survives for consideration is as to its effect on the totality of circumstances of the case at the present stage. Learned counsel for respondent No. 7 is right in his submission that the position at the present stage has become irreversible. After the letter of intent was issued to him, he has taken all steps required therein to set up petrol station and he has made heavy investments. He submits that he has already arranged on lease in the name of the Corporation a plot of land covering more than 20 Kathas where earth filling was needed, the building has been constructed, a pucca boundary wall has been constructed round the plot, petrol pump has been installed which will soon become functional. He has also placed before this Court certain photographs to establish that position. He has rightly relied on the judgment passed by me in



Smt. Phuljhari Devi v. Union of India, reported in 2000 (1) Pat LJR 973, paragraph 8 of which is relevant in the present context, and is set out hereinbelow for the facility of quick reference.:

8. Learned counsel for respondent No. 4 has next submitted that the dealership has become functional with effect from 31-3-1997, and he has already made heavy investments. He further submits that he should not be made to suffer for various reasons. He ranked higher than the petitioner before as well as after the interpolation. Secondly the blame for interpolations would go to both the petitioner and respondent No. 4. Learned counsel for the petitioner has not countered the submission at all. In any case, this Court agrees with the contention of the learned counsel for respondent No. 4, that they have made investments, the dealership has become functional since 31-3-1997, and also in view of my finding hereinabove that



respondent No. 4 ranked higher in the select list before as well as after the interpolation.”

7.1. He has rightly relied on the well known judgment of the Supreme Court reported in (1979) 3 SCC 489 : (AIR 1979 SC 1628) (R.D. Shetty v. International Airport Authority) where the Supreme Court was unable to grant any relief to the petitioner for similar reasons. The relevant portion of paragraph 35 of the report is relevant in the present context and is set out hereinbelow for the facility of quick reference:

“35. Now, on this view we should have ordinarily set aside the decision of respondent 1 accepting the tender of respondent 4 and the contract resulting from such acceptance but in view of the peculiar facts and circumstances of the present case, we do not think it would be a sound exercise of discretion on our part to upset that decision and void the contract..... Moreover, the writ petition was filed by the appellant more than five months after the acceptance of the tender of respondent



4 and during this period, respondent 4 incurred considerable expenditure aggregating to about Rs. 1,25,000/- in making arrangements for putting up the restaurant and the snack bars and in fact set up the snack bars and started running the same. It would now be most inequitable to set aside the contracts of respondent 4 at the instance of the appellant. The position would have been different if the appellant had filed the writ petition immediately after the acceptance of the tender of respondent 4 but the appellant allowed a period of over five months to elapse during which respondent 4 altered their position. We are, therefore, of the view that this is not a fit case in which we should interfere and grant relief to the appellant in the exercise of our discretion under Article 226 of the Constitution”.

12. Heard the Learned counsel for the petitioner as well as the Learned counsel for the respondents.

13. From perusal of the records, it



appears that the process of selection was conducted in accordance with the Unified Guidelines for Selection of LPG Distributors (June 2017). The petitioner's grievance primarily revolves around the timing of the issuance of caste and other certificates submitted by respondent No.- 4.

14. However, the Indian Oil Corporation Limited, in its counter affidavit, has clarified that the FVC process duly verified the eligibility and documents of respondent No. 4, and found no discrepancy. The issuance of Letter of Intent and subsequent execution of the distributorship agreement were done after full compliance with the policy framework.

15. Most importantly, the distributorship has already become functional. Relying on the ratio laid down in **Kaushal Kishore (supra)**, this Court is of the considered view that any interference at this stage would be inequitable and contrary to the settled principle that completed contracts and ongoing operations



should not be unsettled lightly.

14. Foregoing discussion, and in light of the legal principles laid down in the judgment cited above, this Court finds no illegality or procedural infirmity in the selection and appointment of Respondent No.-4 as the L.P.G. distributor.

15. Accordingly, the Writ petition is dismissed as devoid of merits.

16. Interlocutory Application, if any, shall stands disposed of.

(G. Anupama Chakravarthy, J)

Spd/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	12.09.2025
Transmission Date	

