

IN THE HIGH COURT OF JUDICATURE AT PATNA
Letters Patent Appeal No.1189 of 2024

In
Civil Writ Jurisdiction Case No.9875 of 2023

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Mohd Abul Kalam @ Md. Abdul Kalam, Son of Mohammad Abid Hussain,
Resident of Ward No.2, Dumriyahi Kormauli, P.S.- Khajauli, District-
Madhubani.

... .. Appellant/s

Versus

1. The Indian Oil Corporation Limited through its Chairman-cum-Managing Director, G-9, Ali Yavar Jung Marg, Bandra East, Mumbai- 400051.
2. The Chairman-cum-Managing Director, the Indian Oil Corporation Limited.
3. The General Manager, Area Office Indian Oil Corporation Limited Lok Nayak Jai Prakash Bhawan 5th Floor, Dak Banglow Road, Patna- 800001.
4. The Divisional Sales Head, Muzaffarpur Divisional Office, Indian Oil Corporation Limited, Muzaffarpur.
5. Binay Kumar Ray, Son of not know Resident of Rasidpur, Police Station- Khajauli, Madhubani, Pin No. 847229.

... .. Respondent/s

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Appearance :

For the Appellant/s : Mr. Md Harun Quareshi, Adv.

For the Respondent/s : Mr. Sanat Kumar Mishra, Adv.

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CORAM: HONOURABLE THE CHIEF JUSTICE

and

HONOURABLE MR. JUSTICE ALOK KUMAR SINHA

CAV JUDGMENT

(Per: HONOURABLE MR. JUSTICE ALOK KUMAR SINHA)

Date: 25-09-2025

Heard the learned counsel for the parties.

2. The present writ petition has been filed for the following reliefs:

*“i. For quashing the
BSO/RO/2023/MDO/1044 letter no. dated*



22.05.2023 issued by respondent no.4, whereby and where under on wrong assumption of facts, it has cancelled the candidature of the petitioner for RO Dealership.

ii. For quashing the letter dated 26.05.2023 by which the candidature of the petitioner was moved from Group-1 to Group-3.

iii. For commanding the respondents to award the RO dealership to the petitioner.

iv. For any other appropriate relief or reliefs may be granted in favor of the petitioner as your Lordship may deem fit and proper.”

3. Learned counsel appearing for the appellant submitted that the rejection of his candidature was arbitrary, hyper-technical, and contrary to law. It was urged that the appellant had furnished a valid registered lease deed dated 22.12.2018 executed by Md. Sultan, one of the recorded co-sharers of the land (*Annexure-5*). Subsequently, Md. Nisarul Haq, the other co-sharer, executed his affidavit dated 19.12.2022 expressly affirming and consenting to the said lease (*Annexure-9*). The Circle Officer, Khajauli, in his report dated 17.12.2022, also confirmed the land particulars and dimensions and raised no objection to the appellant's claim



(Annexure-8). It was contended that in view of these documents, the appellant had fully complied with the eligibility requirements prescribed under the dealership guidelines, and the objections taken by the respondents for declaring him ineligible were untenable, inconsistent, and unsustainable in law.

4. It was further urged that during pendency of the writ proceedings the respondents illegally proceeded to select respondent no. 5, thereby rendering the writ infructuous and causing irreparable prejudice.

5. *Per contra*, learned counsel appearing on behalf of the respondents, including the Indian Oil Corporation and respondent no. 5, submitted that the writ petition itself was devoid of merit. It was contended that the dealership guidelines prescribe strict eligibility conditions relating to ownership/leasehold rights of the offered land, which are statutory in nature and require strict adherence. The appellant, upon scrutiny, failed to furnish consistent and valid documents in support of his claim. The registered lease deed dated 22.12.2018 (Annexure-5), though executed by Md. Sultan, was signed only by one co-sharer and therefore did not represent complete title at the time of application. The subsequent affidavit of Md. Nisarul Haq dated 19.12.2022 (Annexure-9), obtained much later, could not retrospectively cure



the initial defect. It was further argued that eligibility has to be determined with reference to the documents available as on the date of application, and later improvements or subsequent consents cannot be taken into account. The communications dated 22.05.2023 and 26.05.2023 (*Annexures-10 and 11*) clearly recorded that the land offered did not meet the prescribed criteria, and such decision cannot be faulted.

6. Learned counsel also submitted that once the appellant was rightly held ineligible, respondent no. 5, being next in the order of merit and otherwise fully eligible, was duly considered and selected. Respondent no. 5 has since deposited the requisite security amount (*Annexure-14*), and steps have already been taken to operationalise the dealership. It was therefore urged that no illegality, arbitrariness, or mala fides can be attributed to the respondents, and the learned Single Judge rightly dismissed the writ petition.

ISSUES FOR CONSIDERATION:

Having considered the rival submissions, this Court finds that the issues arising for determination are:

Whether the appellant was wrongly declared ineligible for the RO dealership despite fulfilling eligibility conditions?



Whether the selection of respondent no. 5 suffers from any arbitrariness or illegality so as to warrant interference in Letters Patent jurisdiction?

FINDINGS:

Issue(i): Whether the appellant was wrongly declared ineligible for the RO dealership despite fulfilling eligibility conditions?

Upon consideration of the pleadings, annexures, and submissions, this Court finds that the appellant failed to establish that his land documents satisfied the eligibility norms prescribed under the dealership brochure.

The Brochure (IOCL, 24.11.2018) under *Clause 4(v)* (a)prescribes that:

“The land should be available with the applicant as on the date of application and should have minimum lease of 19 years 11 months (as advertised by the Oil Company) ... but not later than the date of application.”

[Emphasis Supplied]

In the present case, the appellant placed reliance upon a lease deed dated 22.12.2018 executed solely by Md. Sultan, one of the co-sharers (Annexure-3). The other co-sharer, Md. Nisarul Haq, gave his consent only much later by way of affidavit dated 19.12.2022 (*Annexure-7*). On the date of application, therefore, the



appellant did not hold a valid and subsisting lease from *all co-owners* as mandated by Clause 4(v)(a).

The rejection letters dated 22.05.2023 and 26.05.2023 (*Annexures-5 & 6*) specifically recorded such deficiencies. Thus, the subsequent affidavit of the co-sharer could not cure the defect, since eligibility has to be assessed strictly *as on the last date of application*. In the event of consent affidavit of Md. Nisarul Haque is accepted it amounts to extending the last date for submission of application which the Court cannot extend.

This principle is firmly settled in ***Chandrashekhar Vaishnav v. Indian Oil Corporation Ltd., WPC No. 2853/2024***, decided on 18.07.2024 (Chhattisgarh High Court), the Court observed (*para 14*):

“As per terms of the brochure and the guidelines, the eligibility of petitioner had to be established on the date of submission of application for allotment of retail outlet dealership. ... Submission of affidavit (Appendix–III) of a date later than the date of application is a non-rectifiable deficiency ... It is a well-settled proposition of law that in contractual matters, the parties are bound by terms and conditions of advertisement/brochure. The Court cannot ask any party to act contrary to terms and conditions of the advertisement/Brochure.”

[Emphasis Supplied]



Applying these settled principles, it is evident that the appellant's candidature suffered from a fatal defect at the very inception. The lease deed (Annexure-3) not being executed by all co-sharers rendered the land documents invalid under Clause 4(v) (a). The subsequent consent affidavit (Annexure-7), filed nearly four years later, could not retrospectively validate the application.

Accordingly, this Court holds that the decision of the respondent-Corporation in declaring the appellant ineligible was lawful and justified. This issue is, therefore, decided against the appellant.

Issue (ii) Whether the selection of respondent no. 5 suffers from any arbitrariness or illegality so as to warrant interference in Letters Patent jurisdiction?

Upon consideration of the material on record, this Court finds that the appellant was duly informed of the precise deficiencies in his candidature through communications dated 22.05.2023 and 26.05.2023 (Annexures-7 and 10). The appellant was thus afforded an opportunity to meet the objections, but the deficiencies being of a non-rectifiable nature under the Brochure, his candidature was rightly declared ineligible. Once the appellant was held ineligible, the Corporation was bound to proceed with the



next candidate in order of merit. Respondent no. 5, being next in line, was considered and found eligible. He has complied with the requisite conditions, including deposit of the prescribed security (Annexure–11), and further steps for operationalisation of dealership have already been taken.

This Court, thus finds that the respondents acted in strict conformity with the Brochure and principles of fairness. The appellant was duly notified of the grounds of ineligibility, but his defects were incurable under the scheme. No arbitrariness, mala fide, or extraneous consideration is shown in the subsequent selection of respondent no. 5.

Thus, Issue (ii) is also decided against the appellant.

7. Having considered the submissions made by both the parties and the relevant records, this Court finds no infirmity in the judgment of the learned Single Judge. The dealership guidelines are statutory and binding. The appellant, having failed to fulfil those eligibility norms at the relevant stage (application stage), cannot claim entitlement to dealership. The respondents have acted in accordance with law and no arbitrariness or mala fides is established.



8. Accordingly, the Letters Patent Appeal stands dismissed, affirming the judgment and order dated 3.10.2024 passed in C.W.J.C. No. 9875 of 2023 with no order as to costs.

(P. B. Bajanthri, CJ)

(Alok Kumar Sinha, J)

Prakash Narayan

AFR/NAFR	NAFR
CAV DATE	22.09.2025
Uploading Date	25.09.2025
Transmission Date	NA

