



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

RSA No.4157 of 2019 (O&M)

Date of Decision : 10.12.2025

Arvind Kaur and another

....Appellants

Versus

Bharat Petroleum Corporation Ltd. and another

.....Respondents

CORAM : HON'BLE MR. JUSTICE PANKAJ JAIN

Present : Mr. Kanwal Jit Singh, Sr. Assistant with
Mr. Veer Iman Singh, Advocate and
Mr. Varun Sharma, Advocate for the appellants.

Mr. Raman Sharma, Advocate for the respondents.

PANKAJ JAIN, J. (Oral)

Plaintiffs are in second appeal.

2. For convenience, the parties hereinafter are referred to as by their original position before the Court of First Instance, i.e., the appellants as plaintiffs and the respondents as defendants.

3. Plaintiffs filed suit seeking decree of declaration challenging the decision of the respondents to terminate ad-hoc dealership granted to plaintiff No.2 claiming the same to be illegal and sought decree of permanent injunction restraining defendant-Corporation, its agents/representatives from terminating/suspending the same and supply of the plaintiffs' retail outlet till finalization of award of regular dealership in the name of plaintiffs. In the alternate, plaintiffs prayed for grant of mandatory



injunction directing respondents to handover vacant physical possession of land measuring 4 Bighas 14 Biswas, as detailed out in the headnote of the plaint (hereinafter referred to as the suit property).

4. As per plaintiffs, defendants vide public notice published in english newspaper The Tribune, dated 08.11.2002 invited application for allotment of Retail Outlet.

5. Responding to the public notice, plaintiff No.1 made technical and financial bid and offered suit land for a sale consideration of Rs.1500/- per square meter and lease rental @ Rs.19 per square meter subject to grant of dealership in her favour. Plaintiff No.1 was called for negotiations on 16.01.2003. Second round of negotiation was held at Noida. During negotiations, plaintiff agreed for leasing out land subject to grant of regular dealership in her favour and nominated plaintiff No.2 for grant of ad-hoc dealership which is managed and owned by her father-in-law. Plaintiff No.1 claims that the negotiations were held through notes in which plaintiffs specifically asked for dealership. Plaintiff No.1 agreed conditionally to give her land subject to appointing her as a dealer by the letter dated 05.02.2003. After receipt of the letter, the respondents obtained NOC of the site on 02.04.2003. The managers at Sangrur recommended to the General Manager for regular dealership as a condition for handling over the site which was agreeable to him. However, on 28.05.2003, a registered lease deed for 30 years was executed of the site and only ad-hoc dealership was



given which was also cancelled on 06.09.2006. Plaintiffs claim that the cancellation of ad-hoc dealership, is illegal, null and void.

6. Suit was contested by defendants. As per defendants, plaintiff No.2 was appointed as ad-hoc dealer vide appointment letter dated 30.05.2003 with a specific stipulation that the grant of ad-hoc licence shall not create any right, title or interest in favour of ad-hoc dealer in the retail outlet and shall not grant him any right to claim regular dealership. As per Clause 21 of the Communication, the BPCL reserved its right to terminate the grant without assigning any reason whatsoever. It has been claimed that ad-hoc dealer having no right, title or interest, the present suit seeking injunction is not maintainable. Execution of lease deed was admitted and it was claimed that the same was for consideration of Rs.20,000/- per month with 5% increase every year. The two agreements i.e., dealership agreement as well as the lease deed, are separate agreements. There is no condition in the lease deed that regular dealership shall be granted in lieu of the same.

7. Suit filed by the plaintiffs was put to trial by the Court of First Instance, framing following issues:

- “1. Whether the plaintiff are entitled to permanent injunction as prayed for? OPP
2. Whether this court has no territorial jurisdiction to try the present suit?
3. Whether suit is not maintainable? OPD
4. Relief.”



8. Answering Issues No.1 and 3, the Court of First Instance found that the plaintiff No.1 executed lease deed in favour of defendants subject to the condition that the dealership of the retail outlet shall be issued in her name. However, there being no challenge to the lease deed and no relief having been claimed seeking declaration thereof as null and void, plaintiffs are not entitled for the relief claimed. The Court of First Instance, accordingly, dismissed the suit filed by the plaintiffs.

9. Unsuccessful plaintiffs preferred appeal.

10. The same stands rejected by the Lower Appellate Court observing that the lease agreement, Exhibit DD and letter of allotment of ad-hoc dealership, Exhibit DC are independent of each other. Thus, the plaintiffs cannot claim that in the event of cancellation of ad-hoc dealership, defendants are liable to hand-over vacant possession of the suit land.

11. Ld. Senior Counsel appearing for the appellants/plaintiffs has assailed the findings recorded by the Courts below. He submits that the Courts below misdirected themselves in dealing with alternate relief only, without dealing with the main relief prayed for in the suit. He further submits that the case of the appellant/plaintiff No.1 has throughout been that the offer of land for lease was subject to allotment of dealership. The said condition was never rejected by the corporation. The ad-hoc dealership was given with an understanding to regularize the same and accordingly the lease



deed was executed. The ad-hoc dealership was extended from time to time on yearly basis. The Trial Court recorded a finding that during negotiation, appellant/plaintiff No.1 agreed conditionally which is evident from letter dated 05.02.2003. The ad-hoc dealership was agreed upon the negotiations only but the rejection of mandatory injunction by the Trial Court was uncalled for as the relief can always be moulded by the Courts after appreciating the pleadings. However, the Lower Appellate Court has reversed the finding of the Trial Court without there being any cross appeal w.r.t. the grant of ad-hoc dealership agreed upon during negotiations. In order to buttress his submissions counsel for the appellants relies upon ratio of law laid down in the case of **Central Inland Water Transport Corporation Ltd. and another vs. Brojo Nath Ganguly and another, (1986) 3 SCC 156, Assistant General Manager and others vs. Radhey Shyam Pandey, (2020) 6 SCC 438, Rahul Yadav and another vs. M/s. Indian Oil Corporation Ltd. and others, (2015)9 SCC 447, Bharat Petroleum Corpn. Ltd. vs. Maddula Ratnavalli and others, (2007) 6 SCC 81 and Director Marketing Bharat Petroleum Corporation Limited and others vs. Vipin Sukhija, 2017(3) R.C.R. (Civil) 987.**

12. I have heard counsel for the appellant and have carefully gone through records of the case.

13. The entire case projected by plaintiff No.1 is that she agreed to offer the land on lease to the respondents under a condition that the regular



dealership shall be offered to her/her nominee. By way of present suit filed after the cancellation of lease deed, she seeks to enforce the said term and wants either regular dealership or possession of land back.

14. Ld. Senior Counsel has heavily relied upon notes, dated 23.04.2003 made by Negotiation Committee and note Exhibit P-16 given by General Manager on the note of the Committee. He submits that as per the same, the land was offered by the appellant/plaintiff No.1 subject to award of regular dealership of the retail outlet in her favour/or in the name of her nominee.

15. Before adverting to the legal proposition canvassed, it needs to be noticed that a registered lease deed *qua* suit land was executed on 28.05.2003. By a separate document ad-hoc dealership was awarded in favour of plaintiff No.2/nominee of plaintiff No.1 vide letter of appointment dated 30.05.2003.

16. Mr. Singh admits that in the lease deed executed on 28.05.2003, there is no covenant/condition that promises allotment of regular dealership to the appellant.

17. Faced with the situation, he relies upon ratio of law laid down by Supreme Court in the case of *Central Inland Water Transport Corporation Limited and another vs. Brojo Nath Ganguly and another* (supra) to submit that there being difference in the bargaining power of the parties, the deed would fall within the ambit of 'unconscionable bargain'.



He submits that the lease deed being unconscionable, the possession of the land needs to be restored in favour of the plaintiffs. He further submits that from the notes of negotiation, it is evident that the lease deed was proceeded by agreement on terms and as per the same, the plaintiffs agreed to lease out the land only in the event of grant of regular dealership.

18. In the considered opinion of this Court, ratio of law laid down in the case of *Central Inland Water Transport Corporation Ltd. and another vs Brojo Nath Ganguly and another* (supra) is not applicable to the present case. Reliance by the plaintiffs on note of negotiable, Exhibit P-16, does not serve their cause. Once it has come on record that a party negotiated for incorporation of a certain covenant in the contract at pre-execution stage and the said term was not included in the final contract executed between the parties, it is deemed that the party pressing for a particular term agreed to give up the same having signed the contract.

19. That apart, the Courts below rightly held that appointment of dealership and lease deed are two separate agreements between the parties. The two contracts are independent of each other. Thus, grant of regular dealership cannot be read as condition of lease deed. I may hastenly add here that the plaintiff(s) cannot claim unconscionable bargain or misrepresentation after having enjoyed fruits under the lease deed i.e., lease money for 3 years. It is not a case wherein the plaintiff claimed that the lease was voidable being result of difference in the bargaining powers of the



parties the next day after the execution. Once, the plaintiff has accepted benefit flowing from the lease agreement, the plaintiffs are estopped from crying foul. More so, without challenging the lease deed.

20. In view of above, finding no merit in the present appeal. The same is ordered to be dismissed.

21. Pending application, if any, shall also stands disposed off.

December 10, 2025

(Pankaj Jain)
Judge

Dpr

Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No