

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

203

CWP-15852-2022

Date of Decision: 19.07.2023

Suman Sheoran Alias Suman Chahal**...Petitioner**

Versus

Indian Oil Corporation Limited and Others**...Respondents****CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL**

Present:- Mr. Ranjit Singh Kalra, Advocate for the petitioner

Mr. Ashish Kapoor, Advocate
for the respondents-corporation

JAGMOHAN BANSAL, J. (Oral)

1. The petitioner through instant petition under Article 226 of the Constitution of India is seeking setting aside of order dated 30.06.2022 (Annexure P-5) whereby Indian Oil Corporation Limited (for short hereinafter referred to as '**corporation**') has terminated LPG Distributorship of the petitioner.

2. The brief facts necessary for adjudication of the present petition are that the petitioner pursuant to advertisement applied for LPG Distributorship. In the draw of lots, the petitioner on 30.08.2016 was declared as a successful candidate. The petitioner was granted Letter of Intent ('for short **LOI**') on 07.11.2016. An agreement dated 16.03.2017 (Annexure P-2) came to be executed between the petitioner and the corporation. The petitioner at that point of time was a widow lady and she was staying with her in-laws.

3. In the year 2021, mother-in-law of the petitioner lodged a complaint alleging that the petitioner has entered into 'agreement to sell' with her. The complainant submitted copy of Agreement to Sell and General Power of Attorney (for short 'GPA'). On the basis of complaint, the respondent-corporation initiated termination proceedings against the petitioner. A show cause notice came to be issued to the petitioner wherein various allegations were made. The petitioner filed her reply to the show cause notice and respondent-corporation vide impugned order dated 30.06.2022 (Annexure P-5) terminated distributorship of the petitioner.

4. Mr. Ranjit Singh Kalra, learned counsel for the petitioner *inter alia* contends that in the show cause notice there was allegation that petitioner is gainfully employed with IITM, Murthal, however, impugned order is silent qua the said allegation because petitioner brought on record evidence to the effect that petitioner, from time to time, had delivered motivational lectures to students of IITM, Murthal and that she is not getting any remuneration. There was another allegation that petitioner is visiting abroad without permission. The petitioner twice had visited abroad. Once she visited after getting prior permission from the corporation and on another occasion, she visited without permission and stayed there for not more than two months. There is no bar to visit abroad. The respondent-corporation has not returned any finding qua the said allegation in the impugned order. With regard to the allegation that petitioner has executed GPA in favour of her

father-in-law and agreement to sell in favour of her mother-in-law, the petitioner pointed out that alleged documents are forged. She has never entered into agreement to sell and a civil suit qua this issue is pending before the Civil Court.

5. On being confronted with aforesaid facts, Mr. Ashish Kapoor, learned counsel for the respondents-corporation submits that impugned order was passed after granting just and fair opportunity of personal hearing to the petitioner. The corporation has every right to terminate contract. The period of contract was five years, thus, corporation has right to terminate the contract with advance notice of 30 days.

6. I have heard the arguments of learned counsels for the parties and perused the record with their able assistance.

7. The show cause notice was issued on various allegations, however, respondent-corporation has not returned specific findings qua allegations as well as failed to take on record passport to determine period of stay of the petitioner outside the country. The authority has not further examined evidence qua alleged employment of the petitioner. Neither Notary Public was examined to determine veracity of GPA/Agreement to Sell nor is there findings recorded by the Civil Court.

8. On being asked, both sides agreed to the arrangement that afresh order be passed after granting opportunity of hearing to the petitioner as well as considering documents on record.

9. In view of afore-stated facts and findings as well as statements of both sides, the present petition is disposed of with a direction to respondent-corporation to pass a fresh order within two months from today after granting an opportunity of hearing to the petitioner. The authority is expected to return findings on all issues raised in the show cause notice as well as petitioner in her reply.

Nothing observed hereinabove shall be construed as expression of opinion of this Court on merits of the case and respondent-authority shall proceed to pass any order in accordance with law without being prejudiced by observations of this Court.

(JAGMOHAN BANSAL)
JUDGE

19.07.2023

Mohit Kumar

Whether speaking/reasoned *Yes/No*

Whether reportable *Yes/No*