



IN THE HIGH COURT OF ORISSA AT CUTTACK

A.F.R.

W.P.(C) No.9200 of 2015

(In the matter of an application under Articles 226 and 227 of the Constitution of India, 1950).

Prasanta Behera *Petitioner(s)*
-versus-
Union of India and Ors. *Opposite Party (s)*

Advocates appeared in the case through Hybrid Mode:

For Petitioner(s) : *Mr. G.R. Mohapatra, Adv.*

For Opposite Party (s) : *Mr. B.S. Rayaguru,*
Sr. Panel Counsel
(for O.P.1)
Mr. S.D. Das, Sr. Adv.
Along with associate
(for O.P.3)

CORAM:

DR. JUSTICE SANJEEB K PANIGRAHI

DATE OF HEARING:-09.04.2026

DATE OF JUDGMENT:-17.04.2026

Dr. Sanjeeb K Panigrahi, J.

1. In this Writ Petition, the petitioner seeks a direction from this Court to quash the order of termination dated 04.05.2015 passed by the Bharat Petroleum Corporation Limited terminating the petitioner's retail outlet dealership, and to restrain the Corporation from continuing to operate the outlet on the basis of the lease executed by the petitioner's mother in favour of the Corporation.



I. FACTUAL MATRIX OF THE CASE:

2. The brief facts of the case are as follows:
- (i) The petitioner is the son of Panchanan Behera, and his mother, Aparna Kumari Khatua, is the recorded owner of land situated in Mouza Bhubaneswar Sahar Unit No. 32, Rajarani, under Khata No. 17, Plot Nos. 115 and 116, with a total area of Ac. 0.209 decimals. The land is stated to be a compact plot abutting Lewis Road, Bhubaneswar, a prominent road connecting Kalpana Square and the National Highway leading to Puri.
- (ii) Bharat Petroleum Corporation Limited invited applications for establishment of a petrol and diesel retail outlet at Lewis Road, Bhubaneswar, under a scheme where persons having suitable land, either owned or available on long lease, could be considered for dealership. The advertisement also stated that if the land was found suitable, dealership could be granted to the landowner subject to fulfilment of the required eligibility conditions.
- (iii) The petitioner applied for the dealership on the basis of the land owned by his mother. BPCL later issued a communication dated 23.11.2004 asking for submission of a fresh application in the prescribed format along with affidavit, while clarifying that the land details already submitted would continue to be treated as valid.
- (iv) The petitioner's mother filed affidavits undertaking that if the dealership was granted to her son, she would execute a lease deed in favour of BPCL in respect of the schedule property. Thereafter, the petitioner was granted dealership by BPCL under letter dated



24.12.2004, and a lease deed in respect of the land was executed by the petitioner's mother in favour of BPCL.

- (v) The petitioner thereafter operated the retail outlet for several years. On 02.11.2012, BPCL issued a show cause notice alleging that the provisional graduation certificate said to have been submitted by the petitioner was forged and that the dealership had been obtained fraudulently. After exchange of replies, BPCL terminated the dealership by letter dated 04.05.2015.
- (vi) The present dispute arises out of the termination of the petitioner's dealership and the petitioner's challenge to the said action. BPCL, on the other hand, has maintained that after termination of the dealership, it appointed another dealer on ad hoc basis to run the outlet and that the lease in favour of BPCL continued independently of the dealership arrangement.

II. SUBMISSIONS ON BEHALF OF THE PETITIONER:

- 3. Learned counsel for the Petitioner earnestly made the following submissions in support of his contentions:
 - (i) The petitioner contends that the dealership granted in his favour was a land linked dealership, and that the very basis of his selection was the availability of his mother's land for the retail outlet. According to him, the correspondence issued by BPCL before grant of dealership, the terms of the selection letter, and the affidavits furnished by his mother clearly show that the lease of land and the award of dealership were inseparably connected.



- (ii) It is the petitioner's case that the lease deed executed by his mother cannot be viewed in isolation from the surrounding circumstances in which it came to be executed. He asserts that the lease was not an independent commercial arrangement, but was executed only because BPCL had granted the dealership to him under the land linked scheme. Therefore, once the dealership is cancelled, the continuation of the lease in favour of BPCL would be unjust and contrary to the very foundation of the transaction.
- (iii) The petitioner further contends that he was the only candidate for the land linked dealership and, therefore, the real issue was only whether he satisfied the required eligibility conditions. He submits that even if the disputed graduation certificate is left out of consideration and he is treated only as an intermediate pass candidate, he would still secure marks above the minimum qualifying benchmark prescribed under the applicable selection criteria.
- (iv) According to the petitioner, the show cause notice itself indicates that the real consequence of disregarding the graduation qualification would only be a marginal reduction in marks, and not total disqualification. He argues that BPCL has incorrectly calculated the marks by treating 39 out of 65 as the minimum qualifying benchmark, whereas the actual brochure required assessment on a broader criterion and only required 60 percent in total. On his own calculation, he claims entitlement to 72.5 marks and submits that his selection would remain valid even without any graduation qualification.



- (v) The petitioner also questions the very circumstances in which the allegation of forged graduation certificate surfaced. He alleges that one Smt. Pushpanjali Kar, whose connection with the dealership is unclear, initiated the complaint, and suggests that interested persons, in collusion with certain staff members, manipulated records and inserted the disputed certificate so as to create a ground for his removal.
- (vi) The petitioner contends that BPCL's reliance on the lease deed as a stand-alone document is misconceived and overly formalistic. He submits that the Court should consider the totality of the circumstances leading to execution of the deed, the low rent accepted by his mother only because of the expectation of dealership benefits, and the severe financial prejudice caused to the family by both loss of dealership income and continuation of the lease at a rent far below market value.
- (vii) Finally, the petitioner contends that although BPCL has since allowed another person to operate the outlet, the subsequent arrangement itself is subject to the result of the present case. On that basis, he seeks restoration of the dealership in his favour and setting aside of the order of termination.

III. SUBMISSIONS ON BEHALF OF THE OPPOSITE PARTIES:

- 4. The Learned Counsel for the Opposite Parties earnestly made the following submissions in support of his contentions:
 - (i) BPCL contends that the writ petition is not maintainable in its present form because the matter arises out of contractual arrangements and involves disputed questions of fact. According to BPCL, the petitioner seeks adjudication of factual controversies relating to the application,



documents submitted by him, and the basis of his selection, which cannot properly be resolved in writ jurisdiction.

- (ii) The opposite parties submit that the petitioner applied for dealership by representing himself as a graduate and by submitting a provisional graduation certificate purportedly issued by Utkal University. They state that this declaration was made not only in the original application but also in the later application submitted pursuant to the new guidelines, and that the petitioner relied upon the graduation qualification as part of the selection process.
- (iii) BPCL's specific case is that the selection process allotted marks for various criteria, and educational qualification was one such criterion carrying 15 marks. The petitioner was awarded marks on the footing that he was a graduate. According to BPCL, the interview marks were assessed out of 65, the remaining 35 being separately earmarked for land and infrastructure. For an open category candidate, the minimum qualifying mark was 39 out of 65. If the petitioner's graduation claim is removed and marks are awarded only on the basis of his actual qualification, he would fall below this threshold and become ineligible.
- (iv) The opposite parties further submit that after receipt of a complaint, BPCL verified the petitioner's graduation certificate from Utkal University, and the University categorically informed BPCL that no such name existed in its records. On that basis, BPCL issued a show cause notice, considered the petitioner's replies, found them unsatisfactory, and ultimately terminated the dealership by order dated 04.05.2015. According to BPCL, the termination was therefore lawful,



reasoned, and based on suppression and submission of false information.

- (v) BPCL disputes the petitioner's version that he had submitted a later application describing himself merely as a +2 pass candidate. It alleges that no acknowledgement had been issued for such alleged application, that the petitioner subsequently created a fresh document to suit his defence, and that the handwriting in the admitted applications matched each other whereas the handwriting in the allegedly later application did not. BPCL therefore contends that the petitioner's attempt to disown the graduate declaration is an afterthought.
- (vi) On the issue of lease, BPCL firmly contends that the lease agreement and dealership agreement are two distinct and independent contracts executed between different parties for different purposes. The lease was executed by the petitioner's mother in favour of BPCL on mutually agreed rent and created legal rights in favour of the Corporation independent of the dealership granted to the petitioner. BPCL asserts that even after termination of the dealership, it remains entitled to retain possession under the lease and to appoint another dealer or sublet in accordance with law.
- (vii) The opposite parties also rely on judicial precedent to argue that termination of dealership does not automatically bring the lease to an end and that the lessor cannot resist BPCL's possession during the subsistence of the lease. Their stand is that the petitioner, having been found ineligible due to submission of a forged document, cannot claim



continuation or restoration of dealership merely because the land of his mother had been taken on lease for the outlet.

IV. JUDGMENT AND ANALYSIS:

5. Heard Learned Counsel for the parties and perused the documents placed before this Court.
6. The respondent, Bharat Petroleum Corporation Limited, is a public sector undertaking engaged in distribution and sale of petroleum products. Its actions are amenable to judicial review when the challenge discloses a public law element such as arbitrariness, unfairness, or breach of natural justice.
7. At the same time, it is well settled that merely because a party to a contract is the State or an instrumentality, every dispute arising out of such relationship does not become justiciable in writ jurisdiction. Where the controversy is essentially about enforcement of contractual terms, computation of contractual benefits, or other matters in the realm of private law, the ordinary remedy is before the civil court or through arbitration, if provided. To this effect, the Supreme Court in *State of U.P. and Ors. v. Bridge and Roof Co. (India) Ltd.*¹, held as follows:

“There is yet another substantial reason for not entertaining the writ petition. The contract in question contains a clause providing inter alia for settlement of disputes by reference to arbitration [Clause 67 of the Contract]. The Arbitrators can decide both questions of fact as well as questions of law. When the contract itself provides for a mode of settlement of disputes arising from the contract, there is no reason why the parties should not follow and adopt that remedy and

¹ (1996) 6 SCC 22



invoke the extra-ordinary jurisdiction of the High Court under Article 226. The existence of an effective alternative remedy, in this case, provided in the contract itself, is a good ground for the court to decline to exercise its extra-ordinary jurisdiction under Article 226. The said Article was not meant to supplant the existing remedies at law but only to supplement them in certain well-recognised situations. As pointed out above, the prayer for issuance of a writ of mandamus was wholly misconceived in this case since the respondent was not seeking to enforce any statutory right of theirs nor was it seeking to enforce any statutory obligation cast upon the appellants. Indeed, the very resort to Article 226, whether for issuance of mandamus or any other writ, order or direction, was misconceived for the reasons mentioned supra."

8. The law is also clear that writ jurisdiction is not excluded in matters pertaining to contract. However, the High Court exercises self-imposed restraint and interferes only to test the legality of the decision making process. It does not sit as an appellate forum to reappraise evidence or to substitute its own assessment on merits. The Supreme Court in *LIC of India v. Escorts Ltd.*², held as under:

"If the action of the State is related to contractual obligations or obligations arising out of the tort, the court may not ordinarily examine it unless the action has some public law character attached to it. Broadly speaking, the court will examine actions of State if they pertain to the public law domain and refrain from examining them if they pertain to the private law field. The difficulty will lie in demarcating the frontier between the public law domain and the private law field. It is impossible to draw the line with precision and we do not want to attempt it. The question must be decided in each case with reference to the particular

² (1986) 1 SCC 264



action, the activity in which the State or the instrumentality of the State is engaged when performing the action, the public law or private law character of the action and a host of other relevant circumstances. When the State or an instrumentality of the State ventures into the corporate world and purchases the shares of a company, it assumes to itself the ordinary role of a shareholder, and dons the robes of a shareholder, with all the rights available to such a shareholder. There is no reason why the State as a shareholder should be expected to state its reasons when it seeks to change the management, by a resolution of the company, like any other shareholder."

9. Hence, disputed questions of fact do not, by themselves, bar writ jurisdiction. Yet, where the dispute is of a complex nature requiring oral evidence, cross examination, or a full trial, the writ court may decline to adjudicate and relegate the parties to appropriate remedies.
10. Tested on the above parameters, the writ petition, insofar as it challenges the decision of the Corporation to terminate the dealership on the ground of alleged fraud and submission of a forged certificate, can be examined in a limited manner to see whether the Corporation acted on relevant material and followed fair procedure. To that extent, this Court does not non suit the petitioner at the threshold.
11. However, the relief sought by the petitioner, insofar as it seeks to treat the land lease as inseparably linked and to thereby invalidate the subsisting leasehold rights of the Corporation, travels predominantly into a contractual and property domain, involving privity, construction of the lease instrument and surrounding circumstances, and issues not suitable for resolution in writ jurisdiction on affidavits.



12. In the facts and contentions placed before this Court, the following issues arise for consideration:

- a) The first issue is whether the impugned termination of dealership suffers from illegality, procedural impropriety, perversity, or arbitrariness warranting interference under Article 226.
- b) The second issue is whether, assuming the termination is sustainable, the petitioner can yet obtain a writ to terminate or restrain the Corporation from continuing in possession under the lease executed by the petitioner's mother, on the plea that the dealership and the lease were inseparably connected.
- c) The third issue concerns the nature of relief that can be granted in writ jurisdiction in a dealership arrangement even where termination is found invalid, in the light of settled law that dealership and distributorship contracts are ordinarily determinable and the usual remedy is damages rather than specific performance.

A. ALLEGATION OF A FORGED GRADUATION CERTIFICATE AND THE LEGAL EFFECT OF FRAUD:

13. The gravamen of the Corporation's case is that the petitioner represented himself as a graduate and submitted a provisional graduation certificate stated to be issued by Utkal University, and that upon verification, the University reported that no such record existed, leading to initiation of show cause proceedings and termination.

14. In law, fraud is not a matter of mere technicality. The Supreme Court has repeatedly held that fraud vitiates all solemn acts and that a person



who secures an advantage by deceit cannot claim equity or indulgence from the court.

15. Where entry into a privileged position is obtained on the basis of a false certificate or fraudulent representation, the foundation of such status collapses. The Supreme Court in *R. Vishwanatha Pillai v. State of Kerala*³, treated appointment based on a false certificate as void from inception, and emphasised that a person cannot take advantage of his own fraud. While that decision arose in the public employment context, the principle that a benefit secured by fraud is voidable and does not generate enforceable equities applies with equal force to allotments and dealerships involving public resources and public dealing. The Supreme Court observed as follows:

“It cannot be said that the said void appointment would enable the appellant to claim that he was holding a civil post within the meaning of Article 311 of the Constitution of India. As appellant had obtained the appointment by playing a fraud he cannot be allowed to take advantage of his own fraud in entering the service and claim that he was holder of the post entitled to be dealt with in terms of Article 311 of the Constitution of India or the Rules framed thereunder. Where an appointment in a service has been acquired by practising fraud or deceit such an appointment is no appointment in law, in service and in such a situation Article 311 of the Constitution is not attracted at all.”

16. Importantly, once the action is founded on fraud, the argument of delay in initiation loses much of its force. In *Bank of India v. Avinash D. Mandivikar*⁴, the Supreme Court observed that when an action is

³ (2004) 2 SCC 105

⁴ (2005) 7 SCC 690



founded on fraud, the question of any reasonable period for initiation becomes immaterial. The Court held as under:

“When an action is founded on fraud the question of any reasonable period for initiation of action is clearly immaterial. By granting protection of the respondent No. 1-employee the High Court has in essence nullified the object for which scrutiny of the caste claim is made and the purpose for which reservation has been made for Scheduled Caste and the Scheduled Tribes.

...

When fraud is perpetrated the parameters of consideration will be different. Fraud and collusion vitiate even the most solemn proceedings in any civilised system of jurisprudence.

...

Therefore, mere delayed reference when the foundation for the same is alleged fraud does not in any way affect legality of the reference.”

17. The petitioner’s argument that even excluding graduation marks he would still satisfy the benchmark, even if assumed for a moment, cannot by itself neutralise the allegation that he submitted a forged certificate. Apart from the possibility that marks and ranking could have been different, the submission of a forged document to secure benefit is itself a grave infraction and strikes at the integrity of the selection. The writ court cannot place a premium on such conduct by treating the matter as a harmless error in scoring.

B. SCRUTINY OF THE CORPORATION’S DECISION-MAKING PROCESS:

18. This Court reminds itself that judicial review under Article 226 is concerned with the manner in which the decision was made and not with a reappraisal of the merits as if this Court were a court of appeal.



The Supreme Court in *Tata Cellular v. Union of India*⁵, explained that judicial review is not an appeal, and that the court's duty is to confine itself to legality, including whether relevant material was considered and whether natural justice was followed. The Court formulated the principle as follows:

“The duty of the court is to confine itself to the question of legality. Its concern should be: 1. Whether a decision-making authority exceeded its powers? 2. Committed an error of law, 3. committed a breach of the rules of natural justice, 4. reached a decision which no reasonable tribunal would have reached or, 5. abused its powers. Therefore, it is not for the court to determine whether a particular policy or particular decision taken in the fulfilment of that policy is fair. It is only concerned with the manner in which those decisions have been taken.”

19. In the present case, the record as summarised before this Court indicates that the Corporation issued a show cause notice on 02.11.2012, the petitioner responded, and the Corporation proceeded to terminate by order dated 04.05.2015. On the face of it, therefore, the Corporation did not act without notice or without affording opportunity.
20. The petitioner's challenge, in substance, asks this Court to accept that the disputed certificate was inserted or manipulated by third parties in collusion with staff, and that the petitioner never relied upon it or that he later applied as a plus two candidate. Such assertions involve disputed questions of fact, including issues of authorship of documents,

⁵ (1994) 6 SCC 651



handwriting, and the chain of custody of records, which are not amenable to conclusive determination on affidavits.

21. Conversely, the Corporation's reliance on verification from the University, and the consequential conclusion that the certificate was not genuine, constitutes relevant material in the decision making process. Unless the petitioner demonstrates that such material was wholly irrelevant, that the process was mala fide on proven material, or that the conclusion is so perverse that no reasonable authority could reach it, interference is not warranted.
22. This Court also notes that the petitioner has not shown, at least within the constraints of writ pleadings, any unimpeachable contemporaneous material from the University establishing that he in fact held the graduation qualification or that the certificate was genuine. In a matter involving allegation of fraud, the burden to at least prima facie dislodge the verification report cannot be shifted by mere suspicion against unnamed staff or by conjecture about interested persons.
23. In view of the above, this Court is satisfied that the Corporation's decision to terminate was taken on relevant considerations and after affording opportunity. The impugned termination does not call for interference in exercise of writ jurisdiction.

C. LAND LINKED DEALERSHIP AND THE CONTINUING LEASE:

24. The petitioner's second plank is that the dealership was land linked and therefore the lease executed by the petitioner's mother must be treated as inseparable from the dealership, with the consequence that termination of dealership should automatically undo the lease.



25. This Court is unable to accept such submission in the limited writ jurisdiction invoked. The lease is a distinct juristic instrument executed between the landowner and the Corporation, creating rights and obligations governed by its terms and by ordinary law. Disputes as to whether the lease was conditional, whether it was induced by a collateral assurance, whether consideration failed, or whether equity warrants termination, are matters requiring pleading and proof in appropriate proceedings. They are not amenable to summary adjudication under Article 226.
26. Further, the petitioner is not the lessor. Even on the petitioner's own showing, the recorded owner is his mother, Aparna Kumari Khatua. The lease deed is said to have been executed by her in favour of the Corporation. The petitioner cannot, in his own right, seek a writ effectively to rewrite or terminate a subsisting lease to which he is not a party, particularly when such relief would affect proprietary rights and obligations of a person who is not before this Court as the principal claimant in respect of the lease.
27. The petitioner's reliance on pre grant correspondence and affidavits to contend that the lease and dealership were inseparable, even if assumed to exist, would still involve interpretation of contractual instruments and surrounding circumstances.
28. The petitioner also seeks to challenge the Corporation's continuation through an ad hoc dealer after termination. In *Bharat Petroleum*



*Corporation Limited v. Chembur Service Station*⁶, the Supreme Court recognised that upon termination of the dealership, the ex-dealer cannot obstruct the running of the outlet by the corporation directly or through another dealer, including an ad hoc arrangement, and that even where termination is found invalid, the appropriate remedy is compensation rather than restoration coupled with possession. The Court summarised the principle in the following terms:

“A person appointed by the appellant, as its dealer to sell the petroleum products supplied by the appellant through the company retail outlet premises under the terms of a Dispensing Pump and Selling Licence (DPSL) agreement, on termination of the selling agreement and cessation of supplies ceases to be a dealer. Consequently he can neither sell any petroleum products in the retail outlet premises, nor use the appellant’s retail outlet premises or facilities for any other purpose, nor create any obstruction to the running of the retail outlet by the appellant directly or through another dealer — regular or ad hoc. Even if the termination of the dealership is invalid, the only relief that could be claimed by the ex-dealer/agent is award of compensation. A court could not therefore grant temporary injunction requiring the appellant to maintain status quo, thereby permitting the respondent to hold on to the petrol pump premises and prevent the use thereof by the appellant in the manner it deems fit.”

29. Likewise, in *Indian Oil Corporation Ltd. v. Amritsar Gas Service*⁷, the Supreme Court held in the distributorship context that where the contract is determinable, the remedy ordinarily is compensation and not

⁶ (2011) 3 SCC 710

⁷ (1991) 1 SCC 533



a direction tantamount to specific performance. The Court observed as follows:

“It is in this sense that the award describes the Distributorship Agreement as one for an indefinite period, that is, till terminated in accordance with clauses 27 and 28. The finding in the award being that the Distributorship Agreement was revokable and the same being admittedly for rendering personal service, the relevant provisions of the Specific Relief Act were automatically attracted. Sub-section (1) of Section 14 of the Specific Relief Act specifies the contracts which cannot be specifically enforced, one of which is ‘a contract which is in its nature determinable’.

...

The grant of relief of restoration of the distributorship even on the finding that the breach was committed by the appellant-Corporation is, therefore, contrary to the mandate in Section 14(1) of the Specific Relief Act and there is an error of law apparent on the face of the award which is stated to be based on the reasons given therein.

...

Consequently, the remedy of the respondent No. 1 for the wrongful termination is only by way of compensation for the period of notice, namely, of 30 days.”

30. These principles reinforce that the petitioner cannot, by invoking writ jurisdiction, compel restoration of dealership or restrain the Corporation from operating the outlet through another arrangement, especially after a termination founded on fraud.
31. It follows that the petitioner’s challenge to the Corporation’s continuance in possession under the lease and its arrangement to operate the outlet through another dealer cannot be granted in this writ petition. Such issues, if at all available, lie in appropriate civil



proceedings by the competent party, subject to the lease terms and applicable law.

V. CONCLUSION:

32. For the reasons recorded above, this Court finds no ground to interfere with the termination order dated 04.05.2015 in exercise of writ jurisdiction. The writ petition is **dismissed**.
33. Interim order, if any, passed earlier stands vacated.

(Dr. Sanjeeb K Panigrahi)
Judge

Orissa High Court, Cuttack,
Dated 17th April, 2026/