

FMA 826 of 2026
IA NO.CAN/1/2026

M/s. Begumpur Indane Gramin Vitrak & Ors.
Vs.
Indian Oil Corporation Limited & Ors.

Mr. Saptansu Basu
Mr. Ramesh Dhara
...For the appellants

Mr. Amit Kumar Nag
Mr. Partha Banerjee
Ms. Rishita Sarkar
...For the respondent no.1

Mr. Sarbananda Sanyal
Mr. Hamidur Rahaman
Mr. Saikat Gyan
Mr. Parvej Islam
...For the private respondent no.5

1. This is the second round of litigation between the parties. The instant appeal is directed against an order dated 11 May 2026.
2. Briefly, the writ petitioners had sought for quashing of a speaking order dated 21 January 2026 passed by the respondent no.1 seeking approval of conversion of the distributorship to a partnership on the ground of failure to execute the formal distribution agreement.
3. Initially, a distributorship had been granted by the IOCL in favour of the respondent no.6 i.e. Smt. Kabita Mondal, as sole proprietress. Subsequently, by a registered partnership agreement dated 6 July 2020 the said Kabita Mondal entered into a partnership agreement for running the above distributorship business. In

effect, the respondent no.6 was seeking a change of the constitution from a proprietorship to a partnership.

4. At a meeting held on 17 January 2024, the representation of the respondent no.6 had been considered by the respondent no.1 wherein the respondent no.6 expressed her willingness to continue running the said LPG business by inducting the writ petitioner nos.2 to 4 as partners for the smooth running of their business. The respondent no.6 also executed an affidavit stating her willingness to induct the petitioner nos.2 to 4 as partners, declaring *inter alia* that she has no objection to the respondent no.1 permitting the said LPG distributorship being converted from a proprietorship to a partnership concern. The reconstitution of the said LPG distributorship from proprietorship to partnership had also been approved by IOCL on 21 February 2024.
5. The short point which arises in this appeal pertains to a communication dated 19 November 2025 issued by the IOCL whereby the IOCL has cancelled in principle reconstitution approval which had granted in favour of the appellant. By such communication, the IOCL has revoked the in-principle approval dated 21 February 2024 and refused to transfer such distributorship to the partnership business.

6. It is submitted on behalf of the appellant that the scope of the instant appeal is only limited to an *ex facie* jurisdictional error committed by the IOCL declaring dissolution of the partnership agreement of the appellant i.e. M/s. Begumpur Indane Gramin Vitrak. It is contended that by the impugned communication dated 19 November 2025, the IOCL had no lawful authority to dissolve such partnership business. All they could have done was to accept or reject the transfer or change of constitution from the sole proprietorship business to the partnership business.
7. On behalf of the IOCL, it is fairly submitted that it was never their intent to revoke any such partnership business and the same can only be dissolved in accordance with law.
8. The private respondent does not object to the submissions made on behalf of the IOCL. It is further submitted that only the reconstitution procedure was being followed by IOCL.
9. In view of the submissions made on behalf of the parties, the impugned order stands modified to the limited extent that the communication dated 19 November 2025 by IOCL shall not be construed as dissolution of the partnership business. Any such proposed dissolution in respect of the appellant can only be strictly in accordance with law and after following the procedure

contemplated under the Indian Partnership Act, 1932.

10. To the above extent, the impugned order stands clarified. FMA 826 of 2026 alongwith CAN 1 of 2026 stands disposed of.

[Ravi Krishan Kapur, J.]

[Chaitali Chatterjee (Das), J.]