



2026:DHC:3423



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 5281/2024 and CM APPL. 21589/2024, CM APPL. 73016/2024

Date of Decision: **16.03.2026**

IN THE MATTER OF:

M/S INDIAN OIL CORPORATION LTD.Petitioner

Through: Ms. Madhvi Divan, Senior Advocate with Ms. Mala Narayan, Mr. Shashwat Goel, and Ms. Anjali Dhingra Advocates.

versus

LAND DEVELOPMENT OFFICE AND ORS.Respondents

Through: Nidhi Ramam CGSC with Mr. Akash Mishra and Mr. Arnav Mittal, Advs. for R-1, 2 & 6.
Mr. Anil Kaushik, ASG along with Mr. Pranjal Singh, Adv. for R-3/Supreme Court of India.
Mr. Arun Birbal, Adv. for DDA.

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+ W.P.(C) 5301/2024

KAVITA CHOPRAPetitioner

Through: Mr. Zoheb Hossain, Adv., Mr. Rishabh Duggal, Adv., Mr. Satyam

versus

UNION OF INDIA AND ORS.Respondents

Through: Mr. Jivesh Kumar Tiwari (CGSC) with Ms. Nandini Aggarwal and Ms. Samiksha, Advs.
Mr. Anil Kaushik, ASG along with Mr. Pranjal Singh, Adv. for R-3/Supreme Court of India.



CORAM:
HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV
JUDGEMENT

PURUSHAINDRA KUMAR KAURAV, J. (ORAL)

1. The prayers in these two petitions largely overlap. W.P. (C) 5281/2024 is by M/s Indian Oil Corporation Limited (IOCL), whereas W.P. (C) 5301/2024 is by its licensee, who claims to have entered into a dealership agreement with IOCL. W.P. (C) 5281/2024 is treated as the lead petition.
2. In both the petitions, the petitioners assail a letter dated 12.03.2024 issued by the Land and Development Office (L&DO), whereby IOCL has been directed to handover and vacate the land in question. A prayer for setting aside the letter dated 06.11.2023, whereby, the L&DO has communicated the approval of the Competent Authority for allotment of the land in question to the Supreme Court of India, is also common to both these petitions.
3. The facts would indicate that the land in question was allotted to IOCL *vide* letter dated 18.07.2016, on temporary basis for a period of five years for the purposes of setting up a petrol pump. As per the terms contained therein, the allotment was extendable at the sole discretion of the L&DO.
4. The aforesaid allotment, therefore, expired in the year 2021, and as per the petitioner, it sought renewal of the allotment for a further period of five years, on 03.11.2021. However, no response was received on the said request. According to the petitioner, it continued to deposit advance license



fees up to the year 2023 and the same was accepted and duly acknowledged by the L&DO.

5. The impugned action is assailed by the petitioners on the ground that it is arbitrary and unilateral. Further, it is alleged that no opportunity of hearing was extended to the petitioners prior to the issuance of the impugned letters/communication.

6. It appears that subsequent to the filing of the petition, *vide* letter dated 13.08.2024, the L&DO has allotted alternate land to IOCL for setting up the petrol pump. However, according to the petitioner, the alternate land is not in line with the safety guidelines dated 07.01.2020 issued by the Ministry of Commerce and Industry and notification of the Delhi Development Authority dated 08.03.2019, as a vent pipe in the petrol pump is within thirty meters from residential houses/hospitals/schools/temples.

7. Ms. Madhvi Divan, learned senior counsel appearing for IOCL, points out that the aforesaid impediment has been pointed out to the L&DO *vide* letter dated 28.08.2024 and 06.09.2024. The Court, however, *vide* order dated 12.12.2024, noted that the allotted land fulfills the requirements.

8. In view thereof, *vide* order dated 12.12.2024, the Ministry of Commerce and Industry was impleaded as respondent no. 6 and its counsel was directed to take instructions. It was also directed to consider whether relocation of the vent pipe to a suitable location would bring the alternate site in line with the guidelines.

9. Learned counsel appearing for the Ministry of Commerce and Industry, by way of an affidavit, points out that the unsuitability of the alternate site is not merely because of its proximity to residential houses/hospitals/schools/temples, but there are various other reasons as well.



It is pointed out that spatial requirements for installation of dispenser and compliance with safety measures would also not stand satisfied at the alternate site. Paragraph no.12 of the affidavit filed by the Ministry of Commerce and Industry is extracted as under:

“12. That in the present proposal, vent pipe and fill point can be shifted within the premises to meet the CPCB guidelines. However, shifting of dispensers 30m away from residential area in order to meet CPCB guidelines and also to maintain 6m from safety distance all around/from the adjoining boundary is not found feasible, as required under the Petroleum Rules, 2002, within the premises for the following reasons: Total width of the premises/retail outlet is 36m. After shifting dispenser 30m away from the residential area, 6m distance remains available for installation of dispenser and its required safety distance. Cabinet/enclosure of the dispenser has width of around 1m. After installation of dispenser in the available 6m, only 5m distance remains available from the edge of the adjoining boundary as safety distance. As per the Petroleum Rules, 2002, the minimum safety distance of 6m all around is required to be maintained in case of dispenser, within the premises. Hence, even by shifting of dispenser 30m away from the residential area, 6m safety distance is not available all around the dispenser even after rearrangement of the same in the premises, as required under the Petroleum Rules, 2002. Hence, in view of the above, the proposal does not appear to be feasible for PESO approval for the retail outlet.”

10. However, the Court finds that if, in law, IOCL is entitled for allotment of alternate land, the same will have to be considered by the L&DO in accordance with its policy and keeping in mind the intended use of the alternate site. Any alternate allotment which does not comply with the requisite guidelines/notifications would serve no purpose. The L&DO, therefore, is directed to keep the aforesaid aspects in mind and to pass an appropriate order within a period of three months from the date of receipt of a copy of the order passed today. The matter must not hang fire merely on account of the L&DO's lackadaisical approach.

11. The Court, however, takes note of another important aspect of the



matter, which is the vacation and handover of the land in question by the petitioners. The allotment letter dated 18.07.2016 would indicate that the allotment was purely on a temporary basis for a period of five years in the first instance. Further extension of temporary allotment beyond the initial period of five years was permissible, however, the same was at the sole discretion of the L&DO.

12. The petitioners, therefore, do not have any indefeasible right to seek continued allotment of the land in question. If the L&DO has taken a decision to re-allot the land to the Supreme Court in the wider public interest, the same should not be interdicted on the ground that the land had earlier been allotted to IOCL. On one side is the commercial interest of the petitioners, whereas, on the other side lies the larger public interest, which needs to be considered by the Court. More importantly, as on date, the petitioners do not have any vested right over the land in question.

13. Furthermore, the purported rights sought to be asserted by the petitioners arise out of the allotment of the land in question to IOCL *vide* letter dated 18.07.2016 and the effect of the acceptance of the advance rent by the L&DO. Therefore, the grievance of the petitioners may not be amenable to be adjudicated in the writ jurisdiction under Article 226 of the Constitution of India. Insofar as the aspect of the allotment of an appropriate and alternative land to the petitioner is concerned, the Court has already directed the L&DO to do the needful. Liberty is reserved in favour of the petitioners to take appropriate recourse in accordance with law, if the L&DO does not redress their grievance within the stipulated time.

14. Accordingly, finding no infirmity in the impugned letters/communication issued by the L&DO, there is no reason to interfere



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with the same.

15. Let the petitioner in W.P.(C) 5301/2024 to vacate the land in question by 30.05.2026, failing which, the L&DO shall be at liberty to take recourse to suitable remedies in accordance with law. The L&DO shall also be at liberty to levy charges for overstay by the petitioners if they do not vacate the land in question on or before the said date.

16. Accordingly, both these petitions stand disposed of.

(PURUSHAINDRA KUMAR KAURAV)
JUDGE

MARCH 16, 2026/p.