

# HINDUSTAN PETROLEUM CORPORATION LIMITED

# PETROL/DIESEL DEALER AGREEMENT FOR CORPORATION OWNED / LEASED OUTLET (BIFURCATED FACILITIES)

Memoran	dum of Agr	eement mad	le this	day of	t	wo thousan	d		
between	Hindustan	Petroleum	Corporation	Limited,	a company	registered	under	the	
companies	s act 1956,	and having	its Registered	office at F	etroleum Ho	ouse, 17, Jar	nshedji <sup>-</sup>	Tata	
Road, Mumbai-400020, and Regional office at									
				town		State	(hereina	after	
called "the Corporation") of the one part and									
			Ca	arrying bus	iness in the f	irm name /	style of	M/s	
		at	street	/ road a	nd town		Dis	trict	
	State (h	erein after c	alled "the dea	ler ) of the	other part.				

Whereas the Corporation carries on the business of the refining and sale of Petroleum products and more particularly of Petrol and Diesel.

And whereas the Corporation is the owner / lessee / sub-lessee of plots of land more particularly described in the first schedule (in parts A & B thereof) hereunder written and of the structures thereon (hereinafter collectively referred as "the premises") and has installed and / or is about to install at and under the said premises the apparatus and equipment described in the second schedule (in parts A & B thereof) hereto hereinafter called "the outfit".

And whereas at the request of the dealer the Corporation has agreed to appoint the dealer as its dealer for the retail sale or supply at the said premises of certain Petroleum products on the terms and conditions hereinafter contained.

#### Now it is hereby agreed and declared as follows:

 The corporation hereby appoints the dealer as its dealer for the retail sale or supply at the said premises of Petrol / Diesel / Motor Oils / Greases and such other products as may hereafter be specified by the Corporation from time to time (all of which are hereinafter collectively referred to as "the products") in accordance with the terms and conditions hereunder appearing.

- 2. The Corporation doth hereby grant to the dealer leave and license and permission for the duration of this agreement to enter on the said premises and to use the premises and outfit of the sole and exclusive purpose of storing, selling and handling the products purchased by the dealer from the Corporation, save as aforesaid, the dealer shall have no rights, title or interest in the said premises or outfit and shall not be entitled to claim the right of lessee, sub lessee, tenant or any other Interest in the premises or outfit, it being specifically agreed and declared in particular that the dealer shall not be deemed to be in exclusive possession of the premises.
- 3. The agreement shall remain in force for ten years from \_\_\_\_\_ day of \_\_\_\_\_\_
  20 \_\_\_\_\_ and continue thereafter until determined without assigning any reason by either party by giving three months notice in writing to the other of its intention to terminate this agreement, and upon the expiration of any such notice this agreement and the license granted as aforesaid shall stand cancelled and revoked but without prejudice to the rights of either party against the other in respect of any matter or thing antecedent to such termination provided that nothing contained in the clause shall prejudice the rights of the Corporation to terminate this agreement earlier on the happenings of the events mentioned in clause 55 of this agreement.
- 4. The license and permission granted as aforesaid for the use of the said premises and outfit shall terminate immediately on the termination of this agreement or on any breach of any of the terms thereof.
- 5. For the use of the said outfit (and / or the construction thereon), the dealer shall pay to the Corporation a monthly license fee as determined in accordance with the directives issued by the Central Government from time to time. The Corporation shall advise the dealer the basis / formula of the Central Government for the recovery of such license fee. Such license fee shall be payable free of all deductions.

The current rate of recovery is Rs. 43.00/13.00 per KL on Petrol and Rs.36.00/11.00 on Diesel.

6. The dealer will install and maintain at his own expense at the said sites the equipments described in the third schedule (in parts A & B thereof) here to and such other equipment as may be considered necessary by the Corporation from time to time and intimated to the dealer, the dealer shall purchase the said equipment only from the manufacturer or manufacturers approved by the Corporation.

- 7. Nothing contained in this agreement shall be construed to prohibit the Corporation from making direct and/or indirect sales to any person whomsoever or from appointing other dealers for the purpose of direct or indirect sales at such place or places as the Corporation may think fit. The dealer shall not be entitled to any claim or allowance for such direct or indirect sales.
- 8. The Corporation will from time to time supply to the dealer such quantities of the products as the Corporation may consider expedient to meet the current trade demands, and the dealer shall maintain such stocks thereof as the Corporation may consider adequate or necessary from time to time the Corporation shall supply its said products to the dealer only in such quantities as will allow for economical deliveries being made from the supply vehicle and the dealer shall not be entitled to demand deliveries of smaller quantities. No liability shall attach to the Corporation for failure to supply from whatever cause arising, or for undertaking supply of product from a source other than normal source of supply.
- 9. The dealer undertakes to further the sales of the products supplied by the Corporation. It is specifically agreed and declared that it is a basic condition of the grant of the dealership rights by the Corporation to the dealer herein that tile dealer hereby agrees, undertakes and covenants to uplift and pay for the following minimum quantity of the products supplied by the Corporation per year as specified hereunder:

Product	Quantity (Annual) KL
Petrol	
Diesel	
Motor Oils	
Greases TBA - (Rs.)	
Specialties - (Rs.)	
Other Products viz.	

The Corporation shall have the absolute right to revise the aforesaid sale targets from time to time. It is specifically agreed that in the event of the dealer not achieving the aforesaid minimum turnover at any time during two consecutive years during the currency of this agreement, the Corporation shall be entitled, notwithstanding any acquiescence or waiver of this condition and notwithstanding any other provisions herein contained to terminate this agreement by giving three months notice to the dealer.

10. The Corporation will deliver its said products to the dealer at the rates therefor ruling on the date of delivery. The Corporation will make delivery of products to the dealer against payment in cash or by demand draft. The Corporation may, however, at its sole discretion agree to give such credit / Cheque facilities as it deems fit to the dealer from time to time and for such period or periods as the Corporation considers appropriate and may cancel or vary the same at any time without assigning any reason therefor and without giving any advance notice. In the event that the Corporation shall agree to extend any such credit facility, the dealer shall settle all bills punctually within the period of credit allowed without any deduction whatsoever and without claiming to set off against the amount of such bills any amount admittedly due or alleged to be due by the Corporation to the dealer. In the event of the amount of any bill or part hereof preferred by the Corporation upon the dealer remaining unpaid for a period of four days, the Corporation shall be at liberty to refuse supply any further product to the dealer and also to forthwith treat this agreement as being repudiated by the dealer. Sales tax, surcharges and other levies or charges, applicable from time to time, shall be extra, should there be any change in the incidence, rates, charge or levy of such taxes, surcharges and other levies or charges, on account of any change in the basis of levy or in the interpretation of law for any reason whatsoever, all such taxes, surcharges, levies or charges, shall be payable by the dealer to the company in accordance with such changes from the date of such change is in force and/or made effective on all sales of the products made hereunder, notwithstanding that such sales were made before the date of such change. In the event of Corporation has to supply the products to a dealer in another state, the Corporation shall dispatch the products to the dealer with the Corporation as the consignor and the dealer as consignee. The dealer shall issue necessary declarations as prescribed under the central sales tax act and the rules made thereunder to enable the Corporation to charge confessional rate of tax in respect of such sales.

- 11. Not with standing that credit may be given for the payment of the price of the products the Corporation shall be entitled, without assigning any reason thereof, to resume and keep possession of the goods until payment.
- 12. In addition to any right of lien to which the Corporation may by law or under this agreement be entitled, the Corporation shall be entitled to have a first charge or lien on all goods of the dealer for the unpaid price of any goods sold and delivered to the dealer by the Corporation under this agreement.
- 13. The Corporation has installed at its own expense at and under the premises the outfit described in the second schedule hereunder written. The Corporation may install at the premises such other apparatus and equipment from time to time as it may deem necessary for the efficient working of the retail outlet and all such other apparatus and equipment shall be deemed to be and form part of the outfit. Provided that the

4

Corporation shall have the right to remove any particular item or items of apparatus or equipment comprised in the outfit without assigning any reason therefor

- 14. The Corporation will maintain the outfit in proper working condition at its own expenses.
- 15. The dealer will take such care of the outfit and of the building and structures on the premises as also of the receptacles or containers in which the Corporation's products may be supplied to him as a business man of ordinary prudence would take of like premises outfit, receptacles and containers belonging to himself. The dealer shall be responsible for all loss or damage to the outfit, receptacles, containers and premises normal wear and tear expected. All disputes as to liability hereunder shall be decided by the Corporation's Regional Manager at \_\_\_\_\_\_ whose decision shall be final and the dealer shall pay to the Corporation within a week of receipt of a notice in writing requiring him to do so, the amount determined as being due on account of any such loss or damage.
- 16. No repairs to the outfit shall be done by the dealer unless previously authorized by the Corporation in writing. The dealer shall not interfere with or attempt to adjust the outfit or any part thereof but shall notify the Corporation immediately of necessity of any repairs or adjustment and thereby ensure that the outfit is in proper working order and delivering full and proper measure at all times. The dealer shall not operate the outfit while it is out of order.
- 17. All repairs to the outfit, other than those which are rendered necessary or caused by the negligence or fault of the dealer, shall be done by the Corporation at its own cost. Repairs which are rendered necessary or caused by the negligence or fault of the dealer shall be done by the Corporation and the cost thereof shall be repaid by the dealer to the Corporation on demand, falling which Corporation may treat such amount as being an arrears of a bill preferred by the Corporation in terms of clause 10 of this agreement provided always that the Corporation may call upon the dealer in writing to carry out any repairs and in such event the dealer shall be bound to carry out such repairs as directed by the Corporation and the Corporation shall reimburse to the dealer the cost thereof except when such repairs are necessitated by the negligence or fault of the dealer in which case they shall be carried out at the cost of the dealer. A certificate of the Regional Manager of the Corporation for the time being in the city of \_\_\_\_\_ as to the liability of the dealer to pay for any repairs to the outfit and as to the actual amount of the expenses incurred by the Corporation in connection with any such repairs as aforesaid shall be final and binding upon the dealer and shall not be questioned by him in any manner whatsoever.

- 18. The dealer shall not remove the outfit or any part thereof from its position on the said premises nor deliver possession thereof to any other person, firm or company other than the Corporation nor encumber nor sell the same, nor do anything whereby the outfit may be seized or taken in execution or attached, destroyed or injured or whereby the title of the Corporation thereto may in any way be affected, destroyed or prejudiced.
- 19. The said premises and outfit shall be and remain the absolute property of the Corporation and the Corporation may at any time enter upon the said premises to inspect, test, repair, add to reduce and or remove the outfit of the building and structures on the premises or any part thereof affix the Corporations name plates thereto and lock and/or seal the whole or any part thereof against interference by the dealer or third parties.
- 20. The dealer shall keep the said premises and its surroundings in a clean and satisfactory condition.
- 21. The dealer will at all times keep and maintain clean intact and legible on the said premises and outfit, all trademarks and other signs and marks of identification of the Corporation placed there on by the Corporation or forming part thereof.
- 22. The dealer shall not add to or alter the premises, layout or outfit in any manner whatsoever or place in or attach to any part of the said premises or the outfit any signboards, pictures, handbills, advertisements or things of a similar nature, except with the prior written approval of the Corporation, if the dealer shall commit a breach of this clause the Corporation shall have the right without previous notice forthwith to terminate the agreement and/or to reinstate the premises, layout and/or outfit to its/their former condition in all respects and the dealer shall pay the cost of such reinstatement to the Corporation on demand failing which the Corporation may treat such amount as being an arrear of a bill referred by the Corporation in terms of clause 10 of this agreement.
- 23. The dealer shall display or exhibit at or near the premises, such signs and other publicity materials as the Corporation may provide and/or require to be displayed or exhibited. The dealer shall not engage in or carry out any publicity work in respect of his dealership business without obtaining the prior approval of the Corporation both as regards the nature of the work and the manner in which it is to be done.
- 24. The quantities of Petroleum and other allied products stated to be delivered by the Corporation as measured by the Corporation's measuring devices or means shall be final

and binding upon the parties hereto. The property in the products shall pass from the Corporation to the dealer at the time of delivery of the product to the dealer or his representative and the Corporation shall not in any way be responsible for loss or shortage thereafter. A receipt signed by or on behalf of the dealer at the time of delivery of Petroleum products by the Corporation will be conclusive evidence that the petroleum products mentioned therein were in fact delivered to the dealer, that such products were in accordance with the specifications therefor mentioned hereunder and that the quantities of such products mentioned in the receipt are correct, and the dealer shall thereafter be precluded from making any claim against the Corporation for compensation or otherwise on the ground of short delivery or contamination of such products.

- 25. The dealer shall be responsible for all loss, contamination, damage or shortage or to the products, whether partial or entire, and no claim will be entertained by the Corporation therefor under any circumstances, except in cases where the Corporation is satisfied that loss arose from leakage from underground tanks or pipes which the dealer could not reasonably have discovered and of which the dealer gave immediate notice in writing to the Corporation on discovery. Corporation will consider compensation only from the date of receipt of notice till leakage is rectified.
- 26. All the products supplied by the Corporation to the dealer hereunder shall be in accordance with the specifications laid down by the .Corporation from time to time. The dealer shall take every possible precaution against contamination of the Corporation's products by water, dirt or other things injurious to their quality and shall not in any way directly or indirectly alter the specifications of the said products as delivered. The Corporation shall have the right to exercise at its discretion, at any time, and from time to time, Quality Control measures for products marketed by the Corporation and lying with the dealer. The opinion of the Regional Manager for the time being at the Corporation's Regional Office at as to whether any product of the Corporation has been contaminated shall be final and binding upon the dealer. In the event of the said Regional Manager finding that the contamination has been due to any act or default of the dealer or of his servants or agents, the Corporation shall have the right, without being bound to do so, to remove the contaminated product and to destroy or otherwise deal with the same, without making any payment therefor to the dealer, and without prejudice to the Corporation's right to terminate this agreement forthwith.
- 27. The dealer shall not, during the currency of this agreement, sell or be in any way be concerned in selling the Petroleum products of any other oil company or producer

through the outfit or at the premises without the previous consent in writing of the Corporation.

- 28. The dealer shall not purchase from any person, firm or company other than the Corporation any Petroleum or allied products used, stocked or sold at the said premises, without the previous consent in writing of the Corporation.
- 29. The dealer shall not make supplies of Petroleum products of the Corporation to any other person, firm or company whose supplies have been stopped by the Corporation.
- 30. The dealer shall not make supplies of Petroleum products of the Corporation to any dealer) agent / distributor appointed by any of the other oil companies.
- 31. The dealer shall not sell the Corporation's products at higher rates or prices than those which the Corporation or the competent Central / State Government shall from time to time prescribe. In default the Corporation may without prejudice to any other right or remedy, terminate this agreement with immediate effect.
- 32. The grant of any credit by the dealer to customers shall be at the dealer's risk and shall not in any way affect the dealer's liability to the Corporation.
- 33. All expenses in connection with or incidental to the storage, handling, sale and distribution of the products shall be borne by the dealer the dealer shall be solely responsible for the payment of all local and other taxes in respect of the sale of the products.
- 34. The dealer shall not sell, assign, mortgage, change or part with or otherwise transfer his interest in the dealership or any right or interest or benefit conferred by this agreement or grant any license in connection with the said premises and/or outfit or any part thereof to any person, firm or company nor allow any other person, firm or company to use the premises or the outfit or any part thereof except to extent necessary under the terms of agreement and specifically permitted in writing by the Corporation.
- 35. The dealer shall not do any act whereby the Corporation's right in its trademarks or any of them be jeopardized. The dealer shall not at any time claim or have any right in any of the trademarks of the Corporation and shall promptly convey to the Corporation any information obtained or received by him of any infringement of any trademarks of the Corporation or of the use by any person firm or company or any trademarks which may the confusingly similar to any of the trademarks of the Corporation. The dealer shall not use any trademarks of the Corporation except as may be specifically allowed in writing by the Corporation at its sole discretion.

- 36. The dealer will provide and maintain the standard of courtesy and service for the public in all respects as established by the Corporation from time and at all times to the Corporation's complete satisfaction.
- 37. The Corporation will be entitled at all times to enter into and inspect the management of the Retail Outlet by the said dealer in all respects and the dealer shall be bound to render all assistance and give all information to the Corporation and its duly authorized representatives in that behalf.
- 38. The dealer shall keep and maintain such records of Sales etc. as may be prescribed by the Corporation and submit the same for inspection on demand by any officer of the Corporation.
- 39. The dealer shall not carry on from the said premises any Business other than that of the sale of the products supplied by the Corporation save and except and only to the extent, if any, to which the dealer may be permitted in writing by the Corporation at its sole discretion to carry on such other business at or from the said premises.
- 40. The Corporation will obtain in its name a storage license from the controller or explosives for the storage of Petroleum products at the said premises the dealer shall faithfully observe and perform all the terms and conditions of such Licence(s).
- 41. The dealer shall obtain any or every Licence(s) necessary for the storage / sale of Petroleum and other products at the said premises required under any Central / State Government or Local enactment for the time being in-force and shall faithfully observe and perform all the terms and conditions for such Licence(s) and shall promptly renew the same from time to time.
- 42. The dealer undertakes faithfully and promptly to carry out, observe and perform all directions or rules given or made from time to time by the Corporation for the proper carrying on of the dealership of the Corporation. The dealer shall scrupulously observe and comply with all laws, rules regulations and requisitions of the Central / State government and of all authorities appointed by them or either of them including, in particular, the Chief Controller of Explosives, Government of India, and/or Municipal and/or any other local authority with regard to the storage and sale of such Petroleum products.
- 43. The dealer shall indemnify and save harmless the Corporation from all losses, damages, claims, suits or actions which may arise out of or result from any injury to any person or property or from violation of any statutory enactments, rules or regulations or other

written orders or other laws or caused by or resulting from non-observance by the dealer of the provisions of this agreement.

- 44. It shall be a paramount condition of the agreement that the dealer himself (if he be an individual) or both partners of the dealer firm (if the dealer is a partnership firm consisting of two partners only) or the majority of the partners of the dealer firm (if the dealer is a firm consisting of more than two partners) or the majority of the members of the dealer cooperative society (if the dealer is a cooperative society) as the case may be shall take active part in the management and running of the retail outlet and shall personally supervise the same and shall not under any circumstances do so through any other person, firm or body.
- 45. Except with the previous written consent of the Corporation:
  - i. the dealer shall not enter into any arrangement contract or understanding hereby the operations of the dealer hereunder are or may be controlled carried out and/or financed by any other person, firm or company whether directly or indirectly and whether in whole or in part.
  - ii. the dealer (if it be a firm or a cooperative society) shall not effect any change in its constitution whether in the identity of its partners, members or in the share/shareholding of any of them, or in the terms of the deed of partnership or of the bye-laws as the case may be, in the event of the death of any partner / member of a firm / co-operative society which has been appointed as a dealer hereunder the surviving partners / members hereby agree indemnify and keep indemnified the Corporation against any claims or demands which may be made by the heirs of the deceased partner/member.
- 46. The dealer shall be solely responsible for and shall himself bear all expenses of and in connection with the dealership business, including administration, office insurance premia, telephone, license or other fees, rates, taxes and all other charges and outgoing of every kind connected with the said business and shall pay the same promptly and without fail. The dealer shall also be solely responsible for any breach or contravention by himself, his servants or agents or any laws, rules, regulations or bye-laws passed or made by the Central and / or State government and/or Municipal local and/or other authorities as may be applicable from time to time to the business including, without prejudice to the generality of the foregoing. The concerned authorities respectively appointed under the Petroleum act, payment of wages act, shops and establishment act, factories act and the workmen's compensation act or any statutory modifications or reenactments of the said statutes or rules and the Corporation shall not be responsible in any manner for any liability arising out of noncompliance by the dealer with the same. The dealer shall at all times indemnify and keep indemnified the Corporation against all

actions proceedings claims and demands made against it by the Central and/or State Government and/or Municipal local and/or other authorities and/or by any customer of the product and/or any other third party as a result of or in consequence of any act or omission of whatsoever nature of the dealer, his servants or agents, including, without prejudice to the generality of the forgoing, any accident or loss or damage arising out of the storage, handling and/or sale of the products or attributable to the use of the said premises for the aforesaid purposes whether or not such act or omission or accident or loss or damage was due to any negligence, want of care or skill or any misconduct of the dealer, his servants or agents.

- 47. The dealer shall at his own cost maintain an adequate and competent staff to attend to the work of filling the Corporations products into the customers vehicles and for providing certain free service to the customers in accordance with the general instructions given or laid down by the Corporation from time to time.
- 48. The Corporation shall arrange for all electrical and water Connections and shall pay the deposits, if any required to be paid in Connection therewith. The dealer shall promptly pay all bills of Electrical energy and water consumed on the said premises as shown in the Bills received by the Corporation in respect thereof.
- 49. The dealer shall during the continuance of this agreement adequately insure himself against the following risks viz. third party risks, fire and explosion risks, Workmen's compensation and / or loss of or damage to the product for any cause whatsoever.
- 50. The dealer shall not under any circumstances pay or advance to any servants or representatives of the Corporation any sum of money or deliver on any account whatsoever any property due or belonging to the Corporation without prior written authority from the Corporation, should any sum be paid or advanced or any property delivered without such authority, and the same be not received by the Corporation, the dealer shall be entirely responsible to make good to the Corporation the amount or value thereof.
- 51. The dealer shall, whenever, called upon by the Corporation so to do, lodge with the Corporation deposits of such sums of money as may be stipulated by the Corporation from time to time as security for the due fulfillment of his obligations and undertaking hereunder and for securing payment of all sums due by him to the Corporation. Such deposits shall be in cash or securities approved of by the Corporation and endorsed in favour of the Corporation. The Corporation may allow interest to the dealer on cash deposits at prevailing official bank rate but in the case of securities yielding interest, the Corporation may, without being bound to do so, collect the interest thereon and pay the

amount thereof to the dealer. The deposit shall be held by the Corporation subject to such further terms and conditions as may be stipulated by the Corporation from time to time. The dealer agrees that the Corporation shall be under no obligation with regard to the manner of use or disposal of the funds received as deposits from the dealer

- 52. Any such deposit shall be regarded by the dealer as security deposit only and the dealer shall have no right to claim that security deposit be utilized in payment of any dues to the Corporation. The Corporation may, however, at any time at its discretion apply the security deposit or the sale proceeds of the approved securities or at any part thereof in payment portents of any amount due to it by the dealer and the dealer hereby authorizes the Corporation to do so. The dealer shall not be entitled to raise any dispute with regard to the time or the price at which the approved securities or any of them may be sold by the Corporation. Should the Corporation at any time do so and advisee the dealer of the same, the dealer shall forthwith lodge with the Corporation such further sums in cash as may be necessary to restore the dealer's security deposit to the required extent.
- 53. The amount representing the said deposits or the approved securities shall be returnable to the dealer only on the termination of this agreement and after receipt by the Corporation of its deposit receipt duly discharged and after all accounts whatsoever in connection with this agreement and / or in connection with dealings, if any other products or goods of the Corporation, whether under a written agreement or otherwise, have been finally settled and the obligations hereunder and in particular under clause 57 have been discharged. In the event of the death of the dealer, if he be a sole individual, or of the death of a partner in the dealers firm, the Corporation will return the amount of the security deposit, after making all necessary deductions, against presentation of the deposit receipt only to such person or persons who establish his / her / their title to recover the same from the Corporation by means of probate, letter of administration or a succession certificate granted by a Court of competent Jurisdiction in India. The Corporation will not recognize any other person(s) as having any title to the security deposit or to the share of the deceased partner therein.
- 54. The deposit receipt issued by the Corporation shall alone be proof of the deposit with the Corporation and of the value thereof.
- 55. Notwithstanding anything to the contrary herein contained, the Corporation shall be at liberty to terminate this agreement forthwith upon or at any time after the happening of any of the following namely:-

- (a) if the dealer shall commit a breach of any of the covenants and stipulations contained in the agreement, and fail to remedy such breach within four days of the receipt of a written notice from the Corporation in that regard.
- (b) Upon
  - i. the death or adjudication as insolvent of the dealer, if he be an individual:
  - ii. the dissolution of the partnership of the dealer's firm or the death or adjudication as insolvent of any partner of the firm, if the dealer be a firm;
  - iii. the liquidation, whether voluntary or otherwise or the passing of an effective resolution for the winding up, if the dealer be a company or a cooperative society.
- (c) if any attachment is levied and continued to be levied for a period of seven days upon the effects of the dealer or any individual partner for the time being of the dealer's firm or any member of the dealer cooperative society.
- (d) if the dealer or any partner in the dealers firm or any member of the cooperative society appointed as dealer hereunder shall be convicted of a criminal offense.
- (e) if a receiver shall be appointed of any property or assets of the dealer or of any partner in the dealer's firm or of any member of the dealer cooperative society.
- (f) the license issued to the dealer by the relevant authorities for the storage of Petroleum and other products supplied by the Corporation is canceled or revoked.
- (g) if the dealer shall for any reason make default in payment to the Corporation in full or his outstanding as appearing in cooperation's books of account beyond 4 days of demand by the Corporation.
- (h) if the dealer does not adhere to the instructions issued from time to time by the Corporation in connection with safe practices to be followed by him in the supply/storage of the Corporation's products or otherwise.
- (i) if the dealer shall contaminate or tamper with the quality of any of the products, supplied by the Corporation.
- (j) if the dealer shall sell the products, supplied by the Corporation at prices higher than those fixed by the Corporation/statutory authority.
- (k) if the dealer shall either himself or by his servants or agents commit or suffer to be committed any act which, in the opinion of the Regional Manager of the Corporation for the time being in whose decision shall be final, is prejudicial to the interest or good name of the Corporation or its products the Regional Manager shall not be bound to give reason for such decision.
- if any information given by the dealer in his application for appointment as dealer shall be found to be untrue or incorrect in any material respect.

The Corporation right to terminate this agreement under the terms of this clause shall be without prejudice to any of its other rights and remedies against the dealer in the event of the Corporation terminating this agreement under the provisions of this clause, it shall not be liable to pay for any loss or compensation in respect of such termination provided that the supply of any Petroleum products by the Corporation to the dealer, pending expiry of any notice of termination or after any act, contravention or omission by the dealer entitling the Corporation to terminate this agreement shall have become known to the Corporation, shall not in any way prejudice or affect the right of the Corporation to revoke and / or enforce the termination of this agreement and the license granted hereunder.

- 56. On the termination of this agreement, should there be any money due to the Corporation the dealer undertakes to pay the same in seven days to the Corporation at its office at \_\_\_\_\_\_. If the Corporation shall appropriate the cash or the cash proceeds of the approved securities deposited by the dealer as securities deposited by the dealer as securities deposited by the dealer as security under clauses 51 hereof the extent of the amount due to it and if the amount thus appropriated shall be insufficient to cover the dealer's indebtedness to the Corporation, the dealer agrees to pay to the Corporation at \_\_\_\_\_\_ any such balance immediately on demand thereof being made by the Corporation.
- 57. On the termination of the license and permission the dealer will immediately remove from the premises all goods, property and effects belonging to him and hand over to the Corporation vacant and peaceful possession of the premises and the Corporation shall be entitled to enter upon the premises without any hindrance or objection from the dealer and the dealer shall cease to have any right whatsoever to enter or remain on, or use the premises or the outfit in any manner. In case such goods, property and effects are not so removed by the dealer within seven days of termination, the same may be removed by the Corporation at the dealer's risk and the Corporation shall be under no obligation whatsoever to take any steps for the protection thereof and shall not in any way be responsible for loss or damage thereto.
- 58. Upon the termination of this agreement for any cause whatsoever, the property in the products supplied by the Corporation and at the date of the termination in the possession of the dealer shall automatically revert to and become vested in the Corporation and the Corporation shall be at liberty to deal with such products in any manner it deems fit but shall reimburse to the dealer the cost thereof at the then current rates for the supply by it of the products so taken over by the Corporation as applicable to the dealer.
- 59. The dealer shall not, at any time whether during the period of this agreement or after its termination divulge or make known any confidential information concerning the

accounts, secret processes or any other particulars in any wise relating to the business of the Corporation.

- 60. The dealer shall not at any time during the continuance of this agreement pledge the credit of the Corporation.
- 61. For the purpose of these presents, the expression "the Corporation" shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns; for the purpose of these presents, the expression "the dealer" shall unless repugnant to the context or meaning thereof be deemed to include:
  - where the dealer is a single individual, his/her heirs executors, administrators and permitted assigns,
  - 2) where the dealer is a firm, the specified partners thereof at the date of these presents their respective heirs,, executors and administrators, the partners or partner for the time being of such firm the survivors or survivor or such partners and the heirs, executors and administrators of the last surviving partner;
  - where the dealer is a company or other incorporated body, its successors and permitted assigns.
- 62. Provided always and it is hereby agreed that neither party shall be liable for any failure or omission to fulfill, observe or carryout any of the terms of this agreement if fulfillment is delayed hindered or prevented by any circumstances whatever which is not with in immediate control of the party affected thereby and not give rise to any claim by either party hereto against the other or be a breach of this agreement if the same shall be caused by or arise out of war, hostilities, riots, acts or the public enemy or belligerents, sabotage, blockade, revolution insurrection, requisition or rationing or allocation, whether imposed by law decree, regulation or by voluntary Corporation of industry at the insistence or request of Governmental authority or person purporting to act therefor. Compliance with any order or request of any national provincial, port or other Public Authority, or of any person purporting to act therefor, compliance with any order or request of any national provincial, port or other public authority, or any person purporting to act for such authority, act of god, fire, frost, or ice, earthquake, storm, lighting, tide tidal wave or perils of sea, loss of tanker tonnage due to sinking by belligerents or Governmental taking whether or not by formal requisition accidents to or closing of harbours, docks, canals, channels or other assistance, to or adjuncts to shipping or navigation; epidemic, quarantine, strikes, lockout, disputes of any kind, partial or general stoppages of work or refusal to perform any kind of work by labour whether any of the foregoing relate to the party's own workmen or others, breakdown or accident to plant, machinery or storage facilities chemical plant, refinery, installations non-availability or shortage of crude Petroleum of particular type or other materials or

equipments, reduction in the quantity of the products received by the Corporation from the local source of supply. Whether affecting Corporations obligations under this or other agreements to supply similar products and whether such failure or shortage be existing or apprehended by the Corporation or any event, matter or circumstance wherever occurring and whether or not of the same class or kind as those above set forth which shall not be reasonably within the control or the party affected thereby in the event of any of the foregoing circumstances arising the Corporation shall be at liberty to withhold, or suspend deliveries hereunder to such extent as the Corporation in its discretion may think fit.

- 63. All notices required to be given and approvals required to be obtained hereunder shall be given and obtained in writing. All notices required to be served by either party hereto upon the other shall be deemed properly served if delivered, in the case of the Corporation, at its Regional Office at \_\_\_\_\_\_ here in above mentioned or sent by registered post to its said office, and in the case of the dealer, if sent by post or delivered by hand at his place of business here in above mentioned or pasted thereat.
- 64. In the event of the termination of this agreement under the provisions herein above contained the dealer shall not be entitled to any compensation or claim any loss or damage from the Corporation in respect of goodwill or otherwise.
- 65. This agreement has been made at \_\_\_\_\_\_ and all payments thereunder shall be due and made at \_\_\_\_\_\_ unless otherwise directed by the Corporation, the court in the city of \_\_\_\_\_\_ along shall have jurisdiction to entertain any suit, application or other proceeding in respect of any claim or dispute arising under this agreement
- 66. Any dispute or difference of any nature whatsoever or regarding any right, liability, act, omission or account of any of the parties hereto arising out of or in relation to this agreement (other than those in respect of which the decision of any person, is by the agreement expressed to be final and binding) shall be referred to the sole arbitration of the Chairman and Managing Director of the Corporation or of some officer / retired officer of the Corporation or retired officer of other oil PSUs or retired senior central Govt. officer who may be nominated by the Chairman and Managing Director. The dealer will not be entitled to raise any objection to any such arbitrator on the ground that the arbitrator is or was an officer and / or shareholder of the Corporation or that he has to deal with or dealt with the matters to which the contract relates or that in the course of his duties as an officer of the Corporation he had expressed views on all or any of the matters in dispute or difference. In the event of the arbitrator to whom the matter is originally referred vacating his office or being unable to act for any reason the

Chairman and Managing Director as aforesaid at the time of such vacation of office or inability to act, shall designate another person to act as arbitrator. In accordance with the terms of the agreement such person shall be entitled to proceed with the reference from the point at which it was left by his predecessor. It is also a term of this contract that no person other than the Chairman and Managing Director or a person nominated by such Chairman and Managing Director of the Corporation as aforesaid shall act as arbitrator hereunder. The cost of arbitration shall be shared equally by the parties. The award of the arbitrator so appointed shall be final, conclusive and binding on all parties to the agreement, subject to the provisions of the arbitration and conciliation act, 1996 or any statutory modification of or re-enactment thereof and the rules made there under and for the time being in force shall apply to the arbitration proceedings under this clause.

The award shall be made in writing within six months after entering upon the reference or within such extended time not exceeding further four months as sole arbitrator shall by a writing under his own hands appoint.



The first schedule above referred to (Detailed Description of the plots of retail outlets) <u>MS Facility: (Part - A)</u>

## HSD Facility: (Part - B)

The second schedule above referred to

(Detailed description of Apparatus and Equipment provided by the Corporation)

MS Facility: (Part - A)

### HSD Facility: (Part - B)

The third schedule above referred to (Detail description of equipment installed by dealer) <u>MS Facility: (Part - A)</u>

HSD Facility: (Part - B)



Signed by Hindustan Petroleum Corporation Limited. (by its constituted attorney).

In the presence of

Signed by

(DEALER)

In the presence of

Dated \_\_\_\_\_