

वित्तीय सहायता योजना के अधीन  
एलपीजी डीलरशिप करार

**LPG DEALERSHIP AGREEMENT**  
**UNDER FINANCIAL ASSISTANCE SCHEME**



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड  
(भारत सरकार उपक्रम)

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE)

# HINDUSTAN PETROLEUM CORPORATION LIMITED

## LIQUIFIED PETROLEUM GAS DEALERSHIP (DOMESTIC & COMMERCIAL) AGREEMENT FOR SC/ST

MEMORANDUM OF AGREEMENT made this \_\_\_\_\_ day  
of \_\_\_\_\_ Two thousand and \_\_\_\_\_ between  
Hindustan Petroleum Corporation Limited, a company registered under the Companies Act,  
1956 and having its Registered Office at Petroleum House, 17, Jamshedji Tata Road, Bombay -  
400 020 and a Regional Office at \_\_\_\_\_  
(hereinafter called "**the Corporation**") of the One part AND \_\_\_\_\_  
\_\_\_\_\_ a cooperative  
society / a partnership firm / individual, carrying on business under the firm name or style of at  
\_\_\_\_\_ (hereinafter called 'the Dealer') of the Other  
part.

Whereas Government of India, Ministry of Petroleum & Natural Gas, New Delhi by a  
resolution No.3-19011/5/92-IOC dated July 2, 1992 evolved a scheme in consultation with  
the Oil Industry for financial assistance to SC/ST allottees.

Whereas "the dealer" was selected for appointment as a dealer in terms of the  
application made by the dealer and the interview held for that purpose.

OR

Whereas the dealer was allotted with the dealership by the Government of India under  
their discretionary powers vide their letter No. \_\_\_\_\_ dated \_\_\_\_\_

Whereas the Corporation issued a Letter of Intent (LOI) to the dealer vide their letter  
No. \_\_\_\_\_ dated \_\_\_\_\_

Whereas the dealer accepted the offer made by the Corporation to the dealer in the  
above mentioned LOI and communicated the same to the Corporation vide letter No.  
\_\_\_\_\_ dated \_\_\_\_\_

Whereas in terms of the scheme of the Government of India mentioned above, the  
Corporation has arranged for providing the dealer an LPG Godown, LPG Showroom and delivery  
vehicles, more fully described in the Schedule hereunder, at \_\_\_\_\_

Whereas the Corporation in terms of the said scheme of the Government of India has agreed to provide adequate working capital to the dealer and for which the Dealer hereby agrees to execute necessary document in that regard in terms of the scheme of arrangement.

Whereas the dealer in terms of the LOI mentioned above has obtained all the required permissions / licenses to run a LPG Dealership.

AND Whereas the Corporation is the Owner / Lessee / Tenanat / Licencee of the immovable - properties consisting of LPG Godown and LPG Showroom and movable property of delivery vehicles, more particularly described in the Schedule hereunder (hereinafter collectively referred to as "the Corporation's property").

Now this agreement witnesses as follows:-

**1. Appointment**

The Corporation hereby appoints the Dealer and the Dealer hereby accepts the appointment as a Dealer of the Corporation, on Principal to Principal basis, for sale of the Corporation's Liquefied Petroleum Gas (LPG) under its trademark "HP Gas" in cylinders, only to house-hold consumers and commercial consumers (like hotels, canteens, hospitals, etc.) as may be specifically designated in writing by the Corporation to the dealer.

**2. Duration of agreement**

This Agreement shall remain in force for a period of ten years from \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ and continue thereafter for successive periods of five years each until determined by either party by giving thirty days notice in writing to the other of its intention to terminate this Agreement without assigning any reason and upon the expiration of any such notice this agreement 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 this clause shall prejudice the rights of the parties to terminate this agreement earlier in exercise of their rights under any of the provisions contained in this agreement and/or the rights of the Corporation to stop and / or suspend and / or restrict the supplies to the Dealer pursuant to the provisions contained in that behalf in this agreement.

**3. Dealer to act as principal**

In all the contracts or engagements entered into by the Dealer with the consumers for sale of HP Gas and/or the sale and / or installation and /or repairs of appliances and / or connections thereof with HP Gas cylinders (filled or empty) and or refills and/or

pressure regulators and/or attached equipment, the Dealers shall act and shall always be deemed to have acted as a principal and not as an agent or on account of the Corporation, and the Corporation shall not in any way be liable in any manner in respect of such contracts and/or engagements and/or in respect of any act or omission on the part of the Dealer, their servants, agents and workmen in regard to such installation, sale, distribution, connections, repairs or otherwise, the Dealer shall be bound to inform the consumers in writing of this provision, through correspondence or at the time of enrolment of the consumer.

#### **4. Faithful performance**

(a) The Dealer undertakes faithfully and promptly to carry out, observe and perform all directions and orders or rules made from time to time by the Corporation for the proper carrying on of the dealership.

(b) It shall be the paramount condition of the agreement that the Dealer shall take active part in the management and running of the Dealership and shall personally supervise the same and shall not under any circumstances do so through any other person, firm or body.

(c) Except with the previous written consent of the Corporation

(i) the Dealer shall not enter into any arrangement, contract or understanding whereby the operation of the dealership 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 shall not take up any other employment or engage in any other business apart from the operation of the Dealership which is the subject matter of this agreement.

#### **5. Security Deposit**

(a) The Dealer shall, whenever called upon by the Corporation to do so, 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 the obligations and undertakings hereunder and for securing payment of all sums due to the Corporation. Such deposits shall be in cash or securities approved in writing by the Corporation and endorsed in favour of the Corporation. The Corporation will not allow interest to the Dealer on cash deposits 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 document of deposit or security, etc. 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 to the Dealer with regard to nor shall the Dealer be entitled to any benefit arising out of and the manner of use or disposal of the funds received as deposits, etc., from the Dealer.

b) Any such deposit shall be regarded by the Dealer as Security Deposit only and the Dealer shall have no right to claim that the Security Deposit be utilised in payment of any of the due(s) to the Corporation. The Corporation may, however, at any time at its discretion sell the approved securities and apply the sale proceeds of the securities or any part thereof in payment pro-tanto of any amount due to it by the Dealer and the Dealer hereby authorises the Corporation to do so. Should the Corporation at any time do so and advise 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. The Dealer shall not be entitled to raise any dispute with regard to time or the price at which or the manner in which the approved securities or any of them may be sold by the Corporation. The amount representing the said deposit 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 the Dealer's dealings, if any, in 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 39 have been fully discharged.

c) In the event of the death of the Dealer, if the dealer be an individual, 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 title to receive the same from the Corporation after complying with the requirements that may be prescribed by the Corporation in that regard.

d) In the event of the death of a partner in the Dealer's firm, the Corporation shall return the amount of the security deposit, after making all necessary deductions, against presentation of the deposit receipt duly signed by the surviving partners and such person or persons who establish title to the estate of the deceased partner after complying with the requirements that may be prescribed by the Corporation in that regard.

The receipt issued by the Corporation shall alone be proof of the deposit with the Corporation and of the value thereof.

a) In the event of any change in the constitution of the Dealership firm and in case, the Corporation exercises its option under Clause 32 hereof to continue the Dealership with the changed partnership, the continuing partner(s) shall forthwith lodge with Corporation as security deposit, such sum of money as may be determined by the Corporation and called upon to deposit.

**6. Dealership property to be Corporation's property**

a) The Corporation doth hereby agree to grant to the dealer, permission for the duration of this Agreement to enter on the Corporation's property mentioned in the Schedule hereto and to use the Corporation's property provided by the Corporation for the sole and exclusive purpose of storing, selling and handling of HP Gas. The dealer undertakes to use the Corporation's property exclusively for carrying on the dealership under this agreement and not for any other purpose. Save as aforesaid, the dealer shall have no right or title or interest in the Corporation's property and shall not be entitled to claim any right of lessee, sub-lessee, tenant or any other interest in the same, it being specifically agreed and declared in particular that the dealer shall not be deemed to be in exclusive possession of the Corporation's property. It is understood by the dealer that the Corporation's property mentioned in the Schedule hereunder written are public premises within the meaning of the provisions of the Public Premises (Eviction of Unauthorised Occupants) Act, 1971.

b) The Corporation shall arrange for all electrical and water connections and shall pay the deposits, if any, required to be paid in connection with the Corporation's property mentioned in the Schedule. The dealer shall, however, pay all bills for electricity and water consumed at the said Corporation's property as shown in the bills issued by the authorities concerned and such other expenses incurred by the dealer in running the dealership.

c) The dealer shall pay to the Corporation charges as may be fixed and recovered or deducted in a manner as may be decided by the Corporation from time to time. It is expressly agreed to by the dealer that the Corporation, at its sole discretion and without any previous notice to the dealer, shall from time to time and at all times be entitled to increase or revise or modify the said charges. The charges presently fixed and payable by the dealer shall be Re. 1/- (Rupee one only) per cylinder indented by the dealer which shall be towards the Corporation's investment in the Corporation's property and used by the dealer in running the dealership.

d) The permission granted as aforesaid for the use of the said Corporation's property, shall terminate immediately on the termination of this Agreement.

e) The dealer shall keep the above Corporation's property and its surroundings in a clean and satisfactory condition. The dealer will at all times keep and maintain clean, intact and legible on the said Corporation's property, all trade marks and other signs and marks of identification of the Corporation placed thereon by the Corporation or forming part thereof.

f) The Corporation's property shall be painted and maintained by the dealer at their own cost during the currency of this agreement according to the standards and specifications of the Corporation. –

g) No repairs to the Corporation's property shall be done by the dealer unless previously authorised by the Corporation in writing. The dealer shall not interfere with or attempt to appropriate the Corporation's property or any part thereof, but shall notify the Corporation immediately of the necessity of any repair or alteration or modification and thereby ensure that the Corporation's property are in proper order at all times.

h) The Corporation shall have the right at any time to freely and without let or hindrance by the dealer, their servants or agents, enter upon the said Corporation's property to inspect the same and affix the Corporation's name plates, etc., thereto.

i) The maintenance and upkeep of storage facilities as well as the storage and handling of HP Gas cylinders as per the conditions of permit / licence and other statutory provisions shall be the sole and exclusive responsibility of the dealer who will also be liable to pay, bear and discharge the entire expenditure for the same.

j) The dealer shall also comply with all directions given and/or requisitions made by the Corporation in connection with the Corporation's property.

k) The HP Gas cylinders, valves, caps, security nuts, regulators and such other equipments supplied by the Corporation to the dealer, shall at all times remain the property of the Corporation. The Corporation may, however, from time to time entrust to the dealer for use in connection with the dealership such equipments and/or other property as are deemed fit

and required and the dealer shall exercise due and proper care for the protection of all property so committed without claiming any lien or right to retain possession of the same under any circumstances whatsoever, and on demand deliver to the Corporation in the same good order in which it was received, due allowance being made by the Corporation for fair wear and tear of which the Corporation shall be the sole judge. The Dealer shall pay forthwith on demand to the Corporation at its Head Office at Bombay or at its Regional Office whenever desired by the Corporation, the value of any property entrusted to the dealer, which may be lost, broken, damaged or depreciated or used for purposes other than those for which it was supplied of which the Corporation shall be the sole judge. The Dealer shall be required to submit to the Corporation at its office at \_\_\_\_\_, periodically as may be indicated by the Corporation, a signed inventory of all property of the Corporation which has been so entrusted. Moreover, the Corporation's property / equipments so supplied will be used only for the purposes for which they are meant and the Corporation shall not be responsible for any liability due to misuse of the Corporation's equipment.

**7. Free access to the Corporation's Property**

The Corporation through its duly authorised representative shall have at all times and in any circumstances free and unrestricted access to the Corporation's property used in connection with the business of the Dealer and to inspect working/operation of the dealership in all respects and take account of HP Gas in stock and of all equipments and/or other property entrusted to the dealer by the Corporation. The dealer shall be bound to render all assistance and give all information to the Corporation and its duly authorised representatives in that behalf.

**8. Trade-Marks & Brand name to belong exclusively to the Corporation.**

The Dealer shall not do any act or omit to do any act whereby the Corporation's rights in its Trade Mark or any of them may be jeopardised. The Dealer shall not at any time claim or have any right in any of the Trade Mark of the Corporation and shall promptly convey to the Corporation any information obtained or received by him of any infringement of any Trade Mark of the Corporation or of the use by any person, firm or company of any of the Trade Mark which may be confusingly similar to any of the Trade Mark of the Corporation. The Dealer shall not use any Trade Marks of the Corporation except as may be specifically allowed in writing by the Corporation at its sole discretion.



**9. Dealer not to assign / charge Corporation's property**

The dealer shall not assign, charge or part with or in any deal with the Corporation's property. Further, the dealer shall not assign, charge or part with any of the properties brought in by the dealer for carrying on dealership business during the period of the agreement is valid, current and subsisting.

**10. Display of Corporation's advertisement**

- a) The Dealer shall display or cause to be displayed prominently at the dealership premises a name-board indicating that the dealer is a "HP Gas" dealer.
- b) The dealer shall not at the dealership premises display any advertisement other than the ones permitted by the Corporation.

**11. Corporation's right to sell HP Gas directly or Indirectly**

The Corporation reserves the right at all times during the continuance of this Agreement to make direct sales of "HP Gas" to Central or State Governments, Government Departments, Government Companies, Railways, Military, Municipal authorities, and other public bodies and authorities without any reference to the Dealer and on such direct sales, the Dealer shall not be entitled to any remuneration, commission or allowance of whatsoever nature.

**12. Provision for appointment of additional dealer**

The Corporation reserves the right, without any reference to or consent of the Dealer, to appoint one or more additional dealers in the same territory referred to in Clause 14 and such additional dealer or dealers shall be entitled to make sales of HP Gas in the same territory without any objection from the Dealer and the Dealer shall not be entitled to claim any overriding remuneration, commission or allowance for the purpose. The Dealer hereby expressly agrees not to dispute, object to, or challenge the appointment of other Dealer(s) at the same place or at any other place either by the Corporation or by any other Oil Company or Corporation for the time being operating in India.

**13. Supply of HP Gas**

Notwithstanding anything herein contained, the Corporation shall be entitled at any time and from time to time after notice in writing to the Dealer increase or restrict, limit or reduce the quantity of HP Gas to be supplied by the Corporation under this Agreement for such period. The dealer hereby agrees not to dispute or challenge any such decision of the Corporation for any reason whatsoever. Provided however that if at any time or times the

quantity of the HP Gas supplied by the Corporation hereunder is less than that specified by the Corporation for the time being under Clause 22 hereof the Dealers' obligation during such time or times shall be co-extensive with the quantity supplied by the Corporation under this Clause.

**14. Territory**

The dealer is allotted the distribution area of \_\_\_\_\_ . (hereinafter referred to as the "territory") which expression shall unless repugnant to the context and meaning thereof be deemed to mean and include the distribution area as allowed/alterd from time to time in terms of clauses 11, 12, 15 and 16 hereof.

**15. Dealer to confine sales In the territory**

The Dealer shall, during the continuance of this Agreement, confine himself to effect the sales in the area or territory specified hereinabove but the Corporation shall be entitled without the consent of the Dealer to enlarge, reduce, increase or modify such area or territory to such other place as may from time to time be authorised by the Corporation in writing.

**16. Minimum sales of HP Gas by the dealer**

Without prejudice to the above, the Corporation shall also be entitled to require the Dealer to effect minimum sales of HP Gas in accordance with the policy that may be formulated from time to time by the Corporation and shall be further entitled at its sole discretion to reduce, restrict, modify or alter the area of the dealership territory and the decision of the Corporation shall be final and binding on the Dealer. The Corporation shall further be entitled to notify, without any legal obligation to do so, from time to time to the Dealer in writing the minimum number of HP Gas filled cylinders which the Dealer shall be required to uplift in each month. The Corporation shall also be entitled to require the Dealer to maintain during the duration of the Agreement such minimum stock so as to meet the consumers requirements. It is also specifically agreed that in the event of the Dealer not maintaining such minimum stock at any time, the Corporation shall be entitled to terminate this agreement by giving 30 days notice in writing to the Dealer.

**17. Dealer to confine sale of HP Gas only**

The Dealer shall not during the currency of this Agreement purchase/sell or deal in any way LPG of any other company or product without the previous consent in writing of the Corporation.

**18. Dealer to take prompt delivery of HP Gas**

(a) The Corporation shall supply HP Gas at the LPG godown. The Dealer shall arrange to take prompt delivery of HP Gas and

shall be responsible for and shall pay all detention and/or other charges of whatsoever nature arising directly or indirectly for the failure or delay to take such delivery promptly. The Dealer shall also be liable for any loss or damage arising to the Corporation for the failure, neglect or delay to do so.

b) The Corporation shall from time to time supply to the Dealer such quantities of HP Gas as the Corporation may in its absolute discretion consider expedient to meet the current trade demands. The Corporation shall supply HP Gas to the Dealer only in such quantities as will constitute economical deliveries being made from the supply vehicle and the Dealer shall not be entitled to demand deliveries of smaller quantities: Notwithstanding anything containing in this Agreement, no liability shall be attached to the Corporation for failure to supply HP Gas from whatever cause arising.

19. **Corporation's right to fix and change Prices,**  
**Dealer to sell at fixed prices.**

The Corporation shall be entitled at any time and from time to time and without any previous notice to the Dealer, to change all or any of the prices which may be fixed for the purpose of the retail sale or supply of HP Gas for domestic and / or commercial purposes to the consumers in the territory and similarly the Corporation will be entitled to effect any changes in the Dealer's selling prices and/or in respect of the commissions, discounts and deductions and/or to reduce or abolish any such item. The Corporation shall not in the event of any such change be bound to make any allowance or pay any compensation to the dealer. The dealer undertakes to sell and supply HP Gas at the rates so fixed and the Dealer shall not sell at prices exceeding those fixed by the Corporation from time to time and shall sell the HP Gas upon such terms and conditions as may be directed by the Corporation or any other authority from time to time and shall execute and procure the execution of such warranties, indemnities and writings from himself and/or from any consumer or buyer as the Corporation may from time to time prescribe. The dealer shall at their own cost without making any extra charge to the consumers, arrange for delivery of filled cylinders from the LPG godown to the consumers premises and install / connect the same through the trained staff and for the return of empty cylinders from the consumers premises to the LPG godown.

20. **Terms of Payment**

(a) The Corporation shall deliver HP Gas filled cylinders/ equipment to the Dealer at the rates there for ruling on the date of delivery against prior payment by demand draft. The Corporation may, however, at its sole discretion agree to give such credit 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. 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 by the Dealer to be due from the Corporation. In the event of the amount of any bill or part thereof preferred by the Corporation upon the Dealer remaining unpaid beyond four days after demand made by the Corporation, the Corporation shall be at liberty to refuse to supply any further HP Gas to the Dealer and also forthwith treat this Agreement as being repudiated by the Dealer.

(b) Notwithstanding that credit may be given for the payment of the price of the HP Gas, the Corporation shall be entitled, without assigning any reason therefor, to resume and keep possession of HP Gas until payment. .

(c) 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.

**21. Quantity of HP Gas mentioned In Corporation's documents final**

The quantity of HP Gas mentioned in the Corporation's invoices/documents shall be final and binding upon the dealer, unless at the time of receipt of HP Gas by the dealer any shortage is detected, recorded and witnessed. The dealer shall be responsible for all losses, damage or shortage of or to HP Gas or to the LPG equipment received and/or stored at the Corporation's property and no claim will be entertained by the Corporation therefor under any circumstances.

**22. Corporation's liability regarding transport / delivery, etc. –**

The Corporation shall not be liable for any loss or damage for any delay in transporting or delivering or from failure to transport or deliver HP Gas filled cylinders/equipment ordered by the Dealer whatever may be the cause of such failure or delay. The Corporation shall further be entitled at its sole discretion to refuse any order or orders placed by the Dealer and at any time to treat any order or orders even if accepted or acknowledged as cancelled and the Corporation shall not be responsible for any loss or damage caused to the Dealer by such refusal and/or cancellation. Every order by the Dealer under this Agreement shall constitute a "firm order" not subject to cancellation or revision by the Dealer unless and until

the Corporation intimates to the Dealer in writing its intention to treat such order as cancelled or revised.

**23. Dealer to comply with provisions of Acts. LPG Manual, etc.**

a) The Dealer shall at all times faithfully, promptly and diligently observe and perform and carry out at all times, all directions, orders, rules, terms and conditions as may be issued by the Corporation or its representatives from time to time on safe practices and marketing discipline and for the proper carrying on of the Dealership of the Corporation including those contained in the Corporation's "LPG Manual" and any amendments or modifications as may be made by the Corporation thereto from time to time. The Dealer hereby confirms the receipt of a copy of the LPG Manual and the General Directions as circulated by the Corporation upto the date of this Agreement and agrees to abide by and perform the same.

b) The Dealer shall observe and comply with the provisions of Petroleum Act, 1934, Explosives Act, 1884, Weights & Measures Act, 1976, Gas Cylinder Rules, 1981 etc., and all rules and regulations made thereunder.

c) The Dealer shall faithfully observe and perform all the obligations, duties and requirements under the licences required or obtained for running the dealership and shall promptly renew all licences from time to time.

d) The Dealer shall be solely responsible for any breach or contravention by them, their employees, agents or sub agents of any Acts, rules, regulations or bye-laws of the Central and / or State Governments and / or Municipal, Local and / or other authorities as may be applicable to the LPG business and the Corporation shall not be responsible in any manner for any of the liabilities arising out of non-compliance by the Dealer, their employees, agents or sub-agents, etc.

**24. Dealer to bear handling charges and business expenses**

a) The dealer shall bear all expenses incurred in connection with or incidental to storage, licensing, handling, loading / unloading / cartage (from the LPG godown) delivery, collection and sale and distribution of HP Gas (filled or empty) or any other equipment that the Corporation may make available to the Dealer and the Corporation will not be liable to bear such expenditure under any circumstances whatsoever. The dealer shall also be solely responsible for the payment of all local and other taxes in respect of the sale of HP Gas.

b) The Dealer shall be solely responsible to incur and bear all expenses of and in connection with the business including administration, office, insurance premia, showroom, telephone, transport, storage, wages, salaries, employment benefits payable to all persons employed by the dealer, rents, licence or other fees, rates, taxes, electricity and water consumption charges and all other charges and outgoings of every kind connected with business and shall pay the same promptly and without fail,

**25. Dealer to maintain adequate and trained staff,**

a) The Dealer shall, at their own cost maintain adequate trained and competent staff, to do installation work and connecting appliances to cylinders and/or refills and pressure regulators and to attend to the work of repairing appliances and providing technical service to the consumers free or otherwise in accordance with the general instructions given or laid down in writing by the Corporation from time to time. The Dealer, their employees, agents and sub-agents shall not repair or attempt to repair any cylinder and/or pressure regulator and/or any part thereof which may be damaged or defective or thought to be so, but shall immediately forward such cylinder and/or pressure regulator as the case may be to the Corporation for repairs. The Dealer shall be liable to the Corporation for the cost of repairs to the cylinder(s) and/or pressure regulators that are damaged whilst the same are in the custody of the Dealer and/or consumers in the said territory.

b) The Dealer shall provide and maintain standard courtesy and service for the public in all respects as required by the Corporation from time to time and at all times to the Corporation's complete satisfaction.

c) The Dealer shall at their own cost take all such steps as may be directed by the Corporation from time to time for enrolling consumers and for marketing HP Gas within the territory.

d) The Dealer shall as per instructions of the Corporation enroll persons for providing HP Gas connection, For this purpose, the dealer shall maintain a register giving serial number in accordance with the procedure prescribed by the Corporation in that regard. The dealer shall release HP Gas connection to such enrolled persons in order of their registration under instructions of the Corporation, who shall be called as a consumer by issue of a Subscription Voucher by the dealer.

e) The Dealer shall release to the consumer, HP Gas and regulator and such a release shall be on loan and for which the consumer will pay a fixed amount of security deposit as prescribed by the Corporation.

**26. Dealer to take adequate Insurance**

The dealer shall during the continuance of this Agreement and valid for a period of three months from the date of the termination thereof at their own cost and expense take out adequate and proper Godown and Goods Insurance from a reputed Insurance Company against all risks including Third Party risk to persons and properties, fire and explosion risk, riot risk, comprehensive motor vehicle policy risk, workmen's compensation and injury policy. As and when called upon by the Corporation, the Dealer shall produce such insurance policies and the renewals thereof for inspection and verification by the Corporation. The dealer shall fully and punctually abide by all the terms, conditions and covenants contained and set out in such insurance policies and shall not do or omit to do any act, deed or thing whereby such insurance policies may be invalidated, cancelled or rescinded by the Insurance Company.

**27. Dealer not to make payment to Corporation's employees and not to deliver Corporation's property to Corporation's employees**

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 received by the Corporation without authority, the dealer shall be entirely responsible to make good to the Corporation the amount or value thereof.

**28. Maintenance of records. etc..**

The Dealer shall keep and maintain such records of stocks, sales, registers, waiting list of persons, etc., as may be prescribed by the Corporation from time to time and submit the same for inspection on demand by any authorised officer of the Corporation and shall submit to the Corporation such records at such intervals as the Corporation may from time to time specify in writing.

**29. Dealer's accounts to be In English or Hindi**

The dealer shall maintain the accounts and returns relating to the dealership in English or Hindi and shall produce and file the same with the Corporation or before the authorised representative at such intervals as are prescribed in this behalf by the Corporation or at such intervals as may be called upon by the Corporation.

**30. Over-riding effect of the provisions of this agreement,**

Notwithstanding anything inconsistent contained in any permit or license obtained by the dealer for dealing in HP Gas at the premises the provisions of this agreement alone shall effect to govern or determine the mutual relationship of the dealer and the Corporation interse.

**31. Automatic termination of agreement**

In the event any change occurs with regard to the dealer by way of death, retirement, induction, winding up, insolvency, bankruptcy, etc., by which a constitution of the dealership changes at the happening of any one or any such event, the agreement shall automatically come to an end and stand terminated.

**32. Partner's liability and invalidity of agreement in case of partnership**

a) If the Dealer is a firm, the persons named as partners and the partners for the time being of the Dealer shall be jointly and severally liable in respect of all matters herein in accordance with the provisions Indian Partnership Act, 1932.

b) in the event of the Dealer being a partnership firm, this Agreement shall automatically come to an end and stand terminated upon any change in the constitution of the firm, whether by retirement or death or induction of new partner unless otherwise specifically approved and/or permitted by the Corporation to continue the dealership business on such terms as may be prescribed. Any supplies of HP Gas made by the Corporation, subsequent to the occurrence of any or all such events to the legal heir, the continuing or changed partnership / the co-operative society, the company with or without the knowledge of such an event on the part of the Corporation under or in pursuance of this agreement, shall not be deemed to confer any Dealership or other rights in favour of any of them until the Corporation conveys in writing its specific approval or assent to confer any such Dealership or other rights and the Corporation shall always be at liberty without any previous notice to discontinue, withhold or stop any such supplies or perform any such act as it may deem fit at its discretion.

**33. Corporation's right to stop / suspend HP Gas supply**

Notwithstanding anything to the contrary herein contained the Corporation shall be at liberty upon a breach by the dealer of any covenant in this Agreement to stop and/or suspend forthwith supply of HP Gas to the dealer and/or sales for such period or periods as the Corporation may think fit, and such right of stoppage and/or suspension shall be in addition to and/or without prejudice to any other right or remedy available to the Corporation under this Agreement. The dealer shall not be entitled to claim any compensation or damage from the Corporation on account of any such stoppage and/or suspension of supply.

**34 Termination**

Notwithstanding anything to the contrary herein contained, the Corporation shall be at liberty at its entire discretion to terminate this agreement forthwith upon or at any time after the happening of any of the following events, namely :-

(a) If the Dealer shall commit a breach or default of any of the terms, conditions; covenants and stipulations contained in this Agreement.



(b) Upon:

- (i) dealer be an individual;
- ii) any change in the constitution of the partnership firm.

(c) If any attachment is levied and continues to be levied for a period of seven days upon the effects of the Dealer.

(d) If the Dealer shall be convicted of any criminal offence.

(e) If a Receiver shall be appointed of any property or assets of the Dealer and the same shall not be discharged within seven days of the date of such appointment.

(f) If the licence or permit issued by the relevant authorities for the storage of H P Gas supplied by the Corporation and for carrying on business is cancelled or modified or suspended or revoked or is not renewed before the date of expiry by such authority.

(g) If the Dealer shall for any reason defaults in payment to the Corporation in full of outstandings as appearing in the Corporation's books of account beyond four days of demand by the Corporation.

(h) If the dealer has concealed any information and if any information given by the Dealer in the application for appointment as a Dealer or in any document supplied therewith or filed in support thereof shall be found to be false, untrue or incorrect.

(i) If the lease/tenancy of the premises and the facilities held by the Corporation shall be terminated or purported to be terminated or comes to an end for any reason whatsoever,

(j) If the Dealer does not adhere to the instructions / guidelines issued from time to time by the Corporation.

(k) If the Dealer allows the Dealership to be operated as 'Benami' or causes the same to be operated/through any Power of Attorney or otherwise by any outside party.

(l) If the Dealer shall give out unauthorised connection and/or refills to any person without the Corporation's receipt / subscription voucher or otherwise howsoever.

(m) If the dealer shall commit or suffer to be committed any act which, In the opinion of the Director (Marketing) of the Corporation is prejudicial to the interest or good name of the Corporation or its products.

(n) If the dealer shall commit a breach or default of any of the terms, conditions, covenants and stipulations contained in separate loan agreement which the dealer had executed with the Corporation under which the dealer has secured the financial assistance from the Corporation for operating the dealership awarded in favour of the dealer.

The Corporation's right to terminate the agreement under the terms of this Clause shall be without prejudice to and without affecting 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 HP Gas 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 licence granted hereunder.

**35. No claim for compensation consequent to termination.**

In the event of termination of this Agreement the dealer shall not be entitled to any compensation or claim any loss or damages from the Corporation in respect of goodwill or otherwise.

**36. Dealer to hand over vacant possession of Corporation's property**

(a) Upon termination of this agreement for any cause whatsoever, the property in HP Gas supplied by the Corporation and in the possession of the dealer on the date of the termination, shall automatically revert to and become vested in the Corporation and the dealer shall immediately deliver the same to the Corporation which shall be at liberty to deal with HP Gas in any manner it deemed fit, but shall reimburse to the dealer the cost of HP Gas so taken over at the same rate at which it was supplied to the dealer.

(b) On the termination of this agreement, the dealer shall immediately remove from the premises all goods, property and effects belonging to the dealer and hand over to the Corporation vacant and peaceful possession of the Corporation's property with all the facilities provided by the Corporation thereat and the Corporation shall be entitled to enter upon the premises without hindrance or objection from the dealer and

the dealer shall cease to have any right, title or interest whatsoever to enter or remain, or use the premises or the facilities in any manner. In case such goods, property and effects are not so removed by the dealer within three 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 thereof.

c) It is hereby expressly agreed and provided that upon termination of this agreement, if the dealer, for any reason whatsoever, fails or neglects or refuses to leave the premises and handover vacant and peaceful possession thereof to the Corporation, the dealer shall be liable to pay, to the Corporation as and by way of liquidated damages as determined by the Corporation for wrongful use of and/or unlawfully and unauthorisedly continuing to remain in occupation of the premises until the dealer leaves and hands over vacant and peaceful possession to the Corporation without prejudice to any action the Corporation may decide to take for eviction of the dealer etc., under the provisions of the Public Premises (Eviction of Unauthorised Occupants) Act, 1971. The liability hereunder shall be without prejudice and in addition to any other rights and remedies available under the law to the Corporation.

d) Upon termination of this Agreement, the Dealer shall be liable to immediately on demand hand over, return and redeliver to the Corporation or any person nominated in writing by the Corporation, the entire stock of HP Gas in filled cylinders, empty cylinders and other equipments, records, reference books, consumer's subscription vouchers, termination vouchers, consumer history cards, waiting lists and other records that are made available or entrusted or hired to the Dealer by the Corporation during the currency of this Agreement. For this purpose, the Corporation shall be entitled to take physical inventory of such stocks lying in the possession or control of the Dealer from time to time and the Corporation shall be entitled to enter upon the office, LPG godown, premises, etc. of the Dealer or any other place where the Dealer may have kept the same and take physical possession thereof.

e) The Dealer shall also be liable to account to the Corporation for all HP Gas filled/empty cylinder/ equipments as also all deposits or other amounts payable in respect thereof to the Corporation and shall pay to the Corporation immediately the amounts due and payable by the Dealer to the Corporation in respect thereof and the statement of account prepared and furnished by the Corporation in that behalf shall be final and binding on the Dealer.

**37. Settlement of accounts**

The dealer shall settle, in the event of termination of this agreement for any reason, all accounts within seven days of such termination and in the event of the dealer declining or neglecting or failing to settle accounts within such period, account certified by an accounts officer of the concerned Regional Office of the Corporation, shall be absolutely final and conclusive for all purposes.

**38 Acquiescence or waiver**

Any acquiescence or waiver by the Corporation of any delay, breach or default committed by the dealer shall not be deemed to be or considered as estoppel against the Corporation nor prevent the Corporation from exercising any of its rights under any of the provisions of this agreement.

**39 Indemnity**

The following provisions relating to indemnity by the Dealer in respect of all claims including third party claims shall apply to this Agreement during the duration of this Agreement and even after the termination thereof in respect of any transaction arising in respect of the dealings between the parties hereto under this Agreement. For the purpose of this clause the expression "Dealer" shall include a sub-dealer, agent, servant, licensee, employee or other person nominated or appointed by the Dealer or otherwise having any direct or indirect interest in this Agreement or storing, licensing, handling, loading, unloading, delivering, selling marketing, distributing or transporting HP Gas Cylinders, (filled or empty) and equipment relating thereto:

i) The Dealer shall at all times fully and effectively indemnify and keep indemnified the Corporation, its estates and effects from and against all losses, damages, claims, suits) legal proceedings and otherwise howsoever arising from or in connection with any loss or injury to person or property in connection with any of the matters covered by this Agreement or arising in the course of any of the contingencies referred to above or otherwise howsoever.

ii) Without effecting the generality of the indemnity referred to hereinabove, the Dealer shall fully and effectively indemnify and keep indemnified the Corporation, its successors, assigns, estate and effects, officers, employees and agents from and against all losses, damages, claims, liabilities, suits, legal proceedings or otherwise howsoever arising out of any claims made by all third parties whether on account of injury to person or loss of life or injury, loss or damage to any property,

and occasioned directly or indirectly and irrespective of the cause or quantification of such loss or damage and in particular in respect of third party claims covering all types of risks and whether on account any neglect, breach or default in the observance and performance of the Rules and Regulations from time to time framed by the Corporation and/or any statutory authority and prevailing in respect of the storage, handling, loading, unloading, licensing, sale distribution, marketing, transport, connection or disconnection at consumers' sites or otherwise, supply, delivery and collection of cylinders from the Corporation and/or from the consumers in relation to the HP Gas cylinders, filled or empty, and/or otherwise howsoever on account of non-implementation, non-observance or non-performance of the instructions issued by the Corporation from time to time, or by reason of the breach, non-observance or non-conformation with the provisions of the Petroleum Act 1934, Indian Explosives Act 1884, Gas Cylinder Rules 1981 and all other Rules, Regulations and Bye-laws made thereunder or any other Statute, Rules, Bye-laws or Acts in respect thereof or in relation to any Municipal licence or permission issued for the purpose of storage by any Central or State Government or legal or statutory public body or authority as may be applicable from time to time or otherwise howsoever arising to the end and intent that the Dealer's indemnity to the Corporation shall be enforceable by the Corporation under all circumstances envisaged including any loss or damage that may have resulted on account of any negligence or irregular use or handling by any person for and on behalf of the Dealer or by the consumer or any person for and on behalf of the consumer and such indemnity shall be unconditional and irrevocable and shall not be discharged absolved or relieved on the ground that the loss or damage has arisen on account of any act or omission of any person over whom the Dealer has no control.

iii) The Dealer shall also keep the Corporation indemnified against loss of the Corporation's property or any part thereof and all costs and damages incurred by the Corporation by reason of the breach of any of the provisions of this Agreement.

iv) 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 partner(s)/member(s) hereby agree to indemnify and keep indemnified the Corporation against any claims or demands which may be made by the heirs of the deceased partner/member.

#### **NO WARRANTY BY THE CORPORATION**

(i) It is specifically agreed and declared that the Corporation has not given nor shall be deemed to have given or agreed to any express or implied warranty as regards the manufacture or use of "HP Gas" cylinders or any other equipment or appliances

that may be supplied and delivered under this Agreement and the Corporation shall not be responsible or liable for any defects manufacturing or otherwise arising therefrom.

ii) The Corporation shall, under no circumstances be liable or responsible for any loss, injury, or damage to the Dealer or to the consumers, their servants, employees and agents or any other person whomsoever arising on account of any transaction under this Agreement or as a result of the LPG cylinders or the said equipment being in any way defective or in unfit condition.

**40. Notice**

All notices required to be given and approval 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 \_\_\_\_\_ hereinabove mentioned or sent by registered post to its said office, and in the case of the dealers, if sent by post or delivered by hand at the dealership premises hereinabove mentioned or posted thereof.

**41. Unforeseen circumstances**

Without prejudice to the provisions of Clause 4, 12 and 25 and so as not to limit in any way those provisions for their application, it is in particular agreed that no failure, delay or omission to carry out or observe any of the stipulation or conditions of this agreement shall give rise to any claim against the corporation or be deemed a breach of this agreement if the same shall arise directly or indirectly from any circumstances whatsoever which are not within the control of the Corporation, including without limiting the generality of the foregoing from any of the following cases viz. the imposition of restrictions or onerous regulation on the marine transport or landing of products in bulk or in packages, or to other acts of God, insurrection, action of pirates, war declared or undeclared, strikes, lock outs, transport breakdown and/or combination of workmen, shortage of railway wagons, accidents to plant or machinery or storage facilities, any order or decree of any Government or Governmental Authority, requisition or rationing or allocation, whether imposed by law, decree, regulation or by voluntary cooperation of industry at the insistence or request of any 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 for such authority, diminution in the quantities of product received locally by the Corporation from its usual source of supply,

non-delivery of supplies either on account of stoppage or reduction of production at refineries whether affecting Corporation's obligations under this or other agreements to supply similar products, bottlenecks in transport facilities, shortage in supply of HP Gas cylinder or equipment, etc.

In the event of any of the foregoing circumstances arising the Corporation shall be at liberty to withhold, reduce or suspend deliveries hereunder to such extent as the Corporation in its discretion think fit.

#### **42 Jurisdiction**

Notwithstanding anything contained contrary under any law, rules and regulations, the parties hereby agree that the courts in the city of \_\_\_\_\_ alone shall have jurisdiction to entertain any application or proceedings in respect of anything connected with this Agreement and any award or awards made by the arbitrator hereunder shall be filed in the concerned courts in the aforesaid city only.

#### **43 Arbitration**

(a) Any dispute or difference of any nature whatsoever any claim, cross-claim, counter claim or set-off or regarding any right, liability, act, omission or account of any of the parties hereto arising out of or in relation to this agreement shall be referred to the Sole Arbitration of the Chairman & Managing Director of the Corporation who may either himself act as the Arbitrator or nominate some other Director of the Corporation to act as the Arbitrator. The dealer will not be entitled to raise any objection to any such arbitrator on the ground that the Arbitrator is an officer of the Corporation.

(b) In the event of the Arbitrator to whom the matter is originally referred being transferred, he shall be entitled to continue the arbitration proceedings notwithstanding his transfer unless the Chairman & Managing Director at the time of such transfer or at any time thereafter, designates another Director to act as Arbitrator in his place in accordance with the terms of this agreement.

(c) In the event of the arbitrator, to whom the matter is originally referred vacating his office or being unable or refusing to act for any reason, the Chairman & Managing Director at the time of vacation of office or inability or refusal to act, shall designate another Director to act as Arbitrator in accordance with the terms of this agreement.

(d) The Arbitrator newly nominated by the Chairman & Managing Director under Clauses (b) or (c) above shall be entitled to proceed with the reference

from the point at which it was left by his predecessor.

(e) It is an express term of this contract that no person other than the Chairman & Managing Director or a Director nominated as aforesaid shall act as Arbitrator. If for any reason, Chairman & Managing Director is unable or unwilling or refuses or fails to act as an Arbitrator or nominate an Arbitrator then the mailer shall be referred Director (Marketing) who shall appoint a Director of the Corporation to act as an Arbitrator. It being fully understood and agreed by and between the parties hereto that the vacancy should not be supplied within the meaning of sub-section 1(b) of section 8 of the Arbitration Act, 1940 (Act No. 10 of 1940).

(f) 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 Act, 1940.

(g) The award shall be made in writing and published by the Arbitrator within 12 months after entering upon the reference or within such extended time not exceeding one further year as the parties shall agree in writing. The parties hereto shall be deemed to have irrevocably given their consent to the Arbitrator to make and publish the award within the period referred to hereinabove and shall not be entitled to raise any objection or protest thereto under any circumstances whatsoever.

(h) It is hereby expressly agreed that the powers of the Arbitrator appointed in the mailer hereinbefore mentioned shall include the power to make interim awards as the circumstances of the case may justify to appoint a receiver, commissioner or custodian by whatever name called to take possession of the property in dispute during the pendency of the proceedings and subject to such final order as may be passed by the Arbitrator and shall also have the power to issue such further orders from time to time as he may deem fit, on an application being made to him by any of the parties to the dispute where it is apprehended that the property to which it relates is in danger of being wasted, damaged, deteriorated or parted with or rights of other parties are likely to be created thereon.

(i) The Arbitrator shall be at liberty to appoint, if necessary, any accountant or engineer or other technical person to assist him and to act on the opinion taken from such person.

(j) The Arbitrator shall be entitled to direct anyone of the parties to pay the costs of the other party in such manner and to such extent as the Arbitrator may in his discretion determine



and shall also be entitled to required on or both the parties to deposit funds in such proportion to meet the Arbitrators fees and expenses as and when called upon to do so.

(l) The venue of the Arbitration shall be as decided by the Arbitrator.

#### **44 Headings and Word Reference**

i) The Headings hereto shall not affect the construction of this Agreement.

ii) For the purpose of this agreement:

(a) the expression "the Corporation" shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns.

(b) the expression "Chairman & Managing Director" shall refer to the incumbent from time to time of that office and shall include any officer of the Corporation officiating as such Chairman & Managing Director and any officer of the Corporation who may hold the said post or modified designation, if any.

(c) the expression "Director (Marketing)" shall refer to the incumbent from time to time of that office and shall include any officer of the Corporation officiating as such Director (Marketing) and any officer of the Corporation who may hold the said post or modified designation, if any.

(d) the expression "the Dealer" shall unless repugnant to the context or meaning thereof deemed to include

(1) where the dealer is a single, individual, such individual person so appointed as dealer;

(2) where the dealer is a firm, the notified partners thereof on the date of this agreement;

(3) where the dealer is a company or other incorporated body, its successors and permitted assigns and .

(4) where the dealer is a Co-operative Society, its successors and permitted assigns.

#### **45 Hindi translation**

Notwithstanding the translation of various clauses, covenants and provisions herein provided in the Hindi language, it is specifically agreed between the parties hereto that in the event of any difference or dispute or inconsistency in the wording, meaning and / or interpretation of any clause, covenants or provision of this agreement, the text provided in the English language shall be deemed to be the correct version as to the meaning and intent of the parties and shall prevail over the translation provided in the Hindi language.

IN WITNESS WHEREOF the parties hereto have set their hands at \_\_\_\_\_  
\_\_\_\_\_ the date, month and year above written.

SIGNED BY(CORPORATION) \_\_\_\_\_

BY ITS CONSTITUTED ATTORNEY

IN THE PRESENCE OF:

\_\_\_\_\_

SIGNED BY \_\_\_\_\_

(DEALER)

IN THE PRESENCE OF

\_\_\_\_\_

(Being description of the Corporation's property)

1.SHOWROOM

ALL the premises admeasuring \_\_\_\_\_ square feet situated at \_\_\_\_\_  
\_\_\_\_\_

2.GODOWN

(a) ALL the premises admeasuring \_\_\_\_\_ square feet situated at \_\_\_\_\_  
\_\_\_\_\_

(b) Platform type Weighing Scale (1 No.)

3. DELIVERY VEHICLES:

The following items consisting of:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Handed Over:

Taken Over:

For the Corporation

For the Dealer