

**BEFORE THE HON'BLE CIVIL JUDGE, SENIOR DIVISION AT
NAGPUR**

REG. CIVIL SUIT NO. _____/2013

PLAINTIFF: The Vidarbha Petroleum Dealers Association, having office at "Pranjal" 262, Near Water Tank, Opposite Mehadia Hardware, Laxmi Nagar, Nagpur through its President, Shri Harvinder Singh s/o Surjit Singh Bhatia, aged about 56 yrs, Occu: Business, R/o 38, Guru Nanakpura, Nagpur 440 017.

---Versus---

DEFENDANT: The Hindustan Petroleum Corporation Ltd. a Registered Company under the Indian Companies Act, 1956 having its Regional Office at 2nd floor, Oriental Building, S.V. Patel Marg, Nagpur.

SUIT FOR DECLARATION AND PERMANENT INJUNCTION
(Suit valued for Rs.2000/- and Court Fee paid Rs.200/-)

The Plaintiff named above most humbly and respectfully begs to submit as under:

1. That the Plaintiff is a Registered Association, which has been formed by the dealers of all three Oil Companies and registered under Trade Union Act, 1926 vide Registration No.NGP/5095 by the dealers of MS/HSD and Lube to whom the dealership has been allotted by the Defendant and other Oil Companies to run the outlet of petroleum products on commission basis as prescribed time to time.

2. It is submitted that the Plaintiff is a registered association, formed and constituted with the aims and objects to safeguard and protects the rights and interest of its members who are the Allottees of the outlets (Petrol Pumps) granted by the Oil Companies including of the Defendant. It is submitted that



the present suit is filed under the signature of the President of the Plaintiff Association who has verified and sworn the same and who has been authorized and competent to file the suit.

3. It is submitted that the Defendant is the licensee as Central Government undertaking Company having its Regional Office at Nagpur as mentioned above, who has been coordinating with the dealers appointed by the Defendant/Company.

4. It is submitted that the dealers appointed who are members of the Plaintiff Association orders their requirement with respect to the Petroleum products and sell the same to the customers i.e. the public at large. The business activities carried out is solely dependant upon the density of population and number of outlets of other companies as well as granted by the Defendant Company. It is submitted that initially it was the policy of the Defendant Company to sell its oil and petroleum products through their dealers only and consequently the members of the association even selling the Petroleum Products, Motor Oil, Grease/Lube making the same available to the customers. It is submitted that there has been even no policy of the company of appointing any other distributor for selling Lube products in the open market, through any other agency.

5. It is submitted that in the recent past the Defendant Company has started allotting distributorship with respect to the oil products who has been authorized to sell the same to the public at large by opening their stockiest either for the city or even for the district or event at times for several districts. It is submitted that such appointed stockiest have been given liberty to sell such oil products either to its sub distributors or to any interested shop keepers willing to do the business.

6. It will not be out of place to submit that as the distributor is being appointed without putting any condition regarding its business activities, nor such distributor is having upon him any restriction, it is observed that considering the vast



area available for his business activities, such distributor find himself in a very sound commercial position and seeking maximum products for sale from the Defendant.

7. It is further submitted that under the garb of flourishing of the business activities, particularly oil products, the Defendant has started announcing various Schemes for the distributors and its outlets thereby giving concession of various natures and types, however, all such schemes floated by the Defendant Company is basically based upon the quantum of purchases made by such distributor or dealers of petroleum products, i.e. the members of the Plaintiff.

8. It is submitted that considering the very positive atmosphere and market for the distributor of the oil products appointed by the Defendant Company, such distributors are very much in a very much in a position to make purchases of products in bulk as they have better marketing position having a very large scale of marketing area to deal with sub-distributors, shop keepers etc. and subsequently such distributors make the purchases on bulk to whom the company is granting various schemes like granting additional lubes on concessional rates so also discount. It is submitted that in a nutshell, the distributors so appointed are put in such a beneficial position due to their bulk purchases possible for them to make from the Defendant company in view of the schemes declared that such distributors are further in a position to grant discount to their sub distributors and shop holders involved in the business of selling lubes. It is submitted that in these circumstances, considering the competition in the market, such sub-distributors and shop keepers doing the business of selling lubes to their respective customers are very much in a position to pass such discount even to their retail customers/public by selling the oil /lubes even at less than the MRP rate.

9. It is submitted that as the distributors are enjoying the aforesaid position clearly because of the various concessions and Schemes floated by the Defendant, it has further jeopardized



the position of the members of the Plaintiff, as the dealer members are having their specific locations for operation and doing the main business of providing the petroleum products to their customers . It is submitted that in any case as the dealer being involved in the main business of making the petroleum products available to its customers, the dealers find it rather difficult to sell the oil products on the fixed rate of MRP quoted and printed on the packs of the products supplied by the Defendant.

10. The difficulties of the members of the Plaintiff Association are not with respect to the less marketing of the oil by them, but the difficulty of the Plaintiff members is regarding the pressurizing tactics adopted by the Defendant thereby making every dealer put to the financial losses without any fault on their part and inspite of the fact that they have been rendering their services to the licensee Defendant according to the strict terms and conditions already put forth by the Defendant.

11. It is submitted that at one hand the members of the Plaintiff on account of the limited marketing couple with the fact that they are even otherwise under a tremendous pressure of the Defendant company to meet with the target given to them in selling the petroleum products and furthermore it would not be out of place to submit that considering the modern technology most of the vehicles and particularly two wheelers are of such technical specifications that the consumers are not required to mix the lubes in the petrol/oil products which has caused further reduction in the day-today sale of lubes on petrol pumps.

12. It is submitted that without considering all these difficulties and practical aspects including the facts that any petrol pump owners cannot sell the lubes to any of its customers by giving any discount in view of the fact that no such discount is being allowed to the petrol pump owners/dealers unless they become eligible to it by completing heavy turn over and he has to sell the products on MRP rates which has further caused for minimizing the sale of lubes from petrol pump locations.



13. It is submitted that to add more worries to the difficulties to the members of the association, the Defendant has started giving the target for every month for sell of lubes by the petrol pump owners and making it obligatory to such dealers to make purchases of the Lubes products by those dealers to such an extent as may be decided by the Defendant Company, irrespective of the fact that the Plaintiff members are not in a position to market the said products even 30% to 40% of such products. It is submitted that there are instances that the Defendant company has without any orders from the members of the Plaintiff organization, dispatched the lube products as a compulsory in bulk which has resulted in dumping of stocks of such lubes in the outlet of the members of the Plaintiff not only causing unnecessary investment by them but also further causing resentment by the customers if such old products is being sold to him which may lose its potentiality as lube.

14. It is submitted that the Defendant company has also adopted the arbitrary tactics and attitude by sending such products to the members of the Plaintiff organization and even issuing the invoices thereby raising the bills and getting the amounts for Lacs of Rupees from their account of MS/HSD in which the members of the Plaintiff are required to maintain the credit for purchase of products (MS/HSD) and not for the Purchases of lubes.

15. It is submitted that all such attitudes and decisions arbitrarily started by the Defendant is causing day today difficulties to the members of the Plaintiff organization, but it is also causing financial losses to them in view of the fact that their investment in the business activities has unnecessarily increased thereby they have been further put to financial burden as most of them are constrained to have the financial facilities as against the interest to be paid to the Banks etc.

16. It is submitted that the Defendant Company has absolutely no justification, power and authority to go for their marketing as per their own whims and caprices thereby putting



the members of the Plaintiff Association to the losses. It is submitted that the members of the Plaintiff have already lost their initial business out of Lubes when the decision of appointment of distributors had been taken by the Defendant Company. Now furthermore, they are trying to pressurizing the members of the Plaintiff association to make purchases without having any market with them. It is submitted that the Defendants cannot be permitted to use, utilize and enjoy its position as a Licensee who is involved in the monopolized business and such attitude even if it is not decided on papers as policy by the Company, however, it appears that the officer-in-charge of the said field/section in order to glorify his personal image in the eyes of his higher ups victimizing the members of the association which clearly amounts to Unfair Trade Practice, also against the Law of Contract, equity and principles of natural justice in so far as such un-written policy and pressurizing tactics is being adopted only by the Defendant Company and none other companies like Bharat Petroleum Corporation Ltd., and Indian Oil Corporation Ltd. never adopted such attitude.

17. It is submitted that it is crystal clear that the Defendant and its officers are indulging in the illegal business activities of creating pressure upon the members of the Plaintiff Association and whenever any protest is tried to be made they are further threatened with the unfortunate consequences of issuance of show cause notices alleging therein absolutely false baseless and imaginary irregularities on the part of the members of the association so that no member should raise any grievances against such monopolized dictates on the part of the Defendant Company.

18. It is submitted that the Defendant has now even started issuing the letters thereby dictating the target to be completed in the quarter ending March of the year and trying their level best to pressurize the members of the Plaintiff Association to make purchases of Lubes though the result of it may amount to dumping of all such products at their outlets and



even the circumstances would be that considering the limited space available with the members, the members would be required to get some additional space/premises for storing such stock of Lubes which would again against the provisions of law. Thus, indirectly the Defendant Company is trying to put to members of the association thereby indulging them in illegality, apart from causing financial losses to them, apart from the resentment as well as confusion on the part the customers with respect to the quality and authenticity of the products which is being sold by the distributor at a discounted rate than MRP at one hand and creating doubts against the bonafides of the members of the association who are unable to sell the same at less than MRP rate. It is submitted that in any case such situation cannot be treated to be in the interest of the Defendant Company in either case in the eyes of the public at large.

19. It is submitted that the members of the association as a dealer so also the present Plaintiff having the aims and objects to safeguard the interests of its members approached to the Defendant through various correspondence and also by making visits personally to their office, however, the Plaintiff is constrained to submit that the sense of personal glorification and ambition to put forth himself at the top of the marketing target weighed more on such officers and they are bent upon not to show any concern to the apathy and genuine difficulties of the association. It is submitted that the letters fixing the target issued in the month of December on the part of the officers of the Defendant company has now created all such apprehensions of the threatened injury likely to be caused to the members of the Plaintiff association as though nothing has been stated in the said letter regarding the hardship decision to be taken by the concerned officers against the members of the association who would fail to achieve the target by victimizing him on any false and baseless accusations likely to be leveled by those ambitious officers and thus, the circumstances have compelled the Plaintiff to approach to this Hon'ble' Court by filing the present suit.



20. PARTICULARS OF CLAIM: In the aforesaid fact and circumstances, the Plaintiff therefore, request to this Hon'ble Court for the reliefs:

i) Decree of Declaration that the Defendant or any of its officials has absolutely no right, power and authority to give the target for sell of Lubes of any quantified figure and to compel any of the members of the Plaintiff association having the dealership from the Defendant company to make purchases of the Lubes as may be quoted by the Defendant or its officers;

ii) Decree of permanent injunction restraining the Defendant, its officers, authorities from pressurizing or compelling the members of the Plaintiff association to make purchases of the Lubes as per the target decided by the Defendant Company, such officer or authority;

iii) Decree of permanent injunction thereby restraining the Defendant, its officers, authority or any person acting for and on their behalf from taking any adverse action for not fulfilling the target given by the company for marketing of the Lubes or for any other reason under the garb thereof, so also they may be restrained from taking any action thereby causing compulsory purchases by way of debiting the accounts for purchase of petroleum products, in any manner whatsoever;

iv) Grant any other relief as may be deemed fit and proper in the facts and circumstances of the case.

21. That the cause of action for the suit arose in the third week of February-2013 when on visit to the office of the Defendant Company some of the members of the Plaintiff association were told that they have not completed the target given to them in pursuance of the letter of the Defendant Company in December-2012 and that they would be liable to face the consequences thereof. Hence the suit is very much within limitation.



22. It is submitted that the Defendant is having its office at Nagpur and running the business activities therefrom which is within the territorial jurisdiction of this Hon'ble' Court. It is submitted that most of the members of the Association whose grievances are to be redressed in the present suit are having their retail outlet (Petrol Pump) at Nagpur very much within the jurisdiction of this Hon'ble Court.

23. That for the purposes of the Court fee and jurisdiction, the relief claim therein being not susceptible to the monetary evaluation, and therefore, the suit is valued at Rs.2000/- and the requisite Court fee is being paid herewith.

24. That the Plaintiff files the documents as per list attached and craves leave to file more documents at the appropriate stage.

Hence this suit.

P R A Y E R: It is, therefore, most humbly and respectfully prayed that this Hon'ble' Court be pleased to grant:

i) Decree of Declaration that the Defendant or any of its officials has absolutely no right, power and authority to give the target for sell of Lubes of any quantified figure and to compel any of the members of the Plaintiff association having the dealership from the Defendant company to make purchases of the Lubes as may be quoted by the Defendant or its officers;

ii) Decree of permanent injunction restraining the Defendant, its officers, authorities from pressurizing or compelling the members of the Plaintiff association to make purchases of the Lubes as per the target decided by the Defendant Company, such officer or authority;

iii) Decree of permanent injunction thereby restraining the Defendant, its officers, authority or any person acting for and on their behalf from taking any adverse action for not fulfilling the target given by the company for marketing of the Lubes or for any other reason under the garb thereof, so also they may be restrained from taking any action thereby causing compulsory



purchases by way of debiting the accounts for purchase of petroleum products, in any manner whatsoever;

iv) Grant any other relief as may be deemed fit and proper in the facts and circumstances of the case.

Nagpur:
Dated: 28.02.2013.

Vidarbha Petroleum Dealer Traders Association

[Signature]
President

PLAINTIFF

[Signature]
COUNSEL FOR PLAINTIFF

VERIFICATION

Verified and signed on this 28th day of February-2013, at Nagpur, that the contents of the paras above are true and correct to my personal knowledge and belief.

Vidarbha Petroleum Dealer Traders Association

[Signature]
PLAINTIFF President

SOLEMN AFFIRMATION

I, Harvinder Singh s/o Surjit Singh Bhatia, aged about 56 yrs, Occu: Business, R/o 38, Gurunankpura, Nagpur do hereby take oath and declare that the contents of the Paras above are drafted by my Counsel as per my instructions I have read and understood the same and those are true and correct to my personal knowledge and belief.

Hence, verified and signed at Nagpur on this 28th day of February, 2013.

NOTARIAL REG.
ENTRY NO. 456
DATE 28/2/2013

Vidarbha Petroleum Dealer Traders Association

[Signature]
DEPONENT President

I know & identify the Deponent

[Signature]
Advocate.

Sworn before me on this 28th day of Feb 2013 at Nagpur by Shri / Smt. / Ku. Harvinder Singh s/o Surjit Singh Bhatia R/o. Nagpur who has been identified by Shri / Smt. A. M. Quaz Advocate, Nagpur.

[Signature]
NOTARY 28/2/2013
Govt. of India
Nagpur (M.S.) INDIA



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