

**IN THE HIGH COURT OF MANIPUR
AT IMPHAL**

WP(C) No. 906 of 2022

M/S Krishna Premi Oil City (Retail Outlet and SKO Agency)
Dealer Indian Oil Corporation Limited

.....*Petitioner/s*

- Versus –

Indian Oil Corporation Limited & 2 Ors.

.... *Respondent/s*

BEFORE
HON'BLE MR. JUSTICE A. GUNESHWAR SHARMA

Order

06.08.2025

[1] Heard Mr. N. Ibotombi, learned senior counsel assisted by Ms. N. Savitri, learned counsel for the petitioner and Mr. L. Shashibhushan, learned senior counsel assisted by Ms. L. Lia, learned counsel for the IOC.

[2] The petitioner approached this Court for a direction to the IOC to approve the memorandum for re-constitution of the dealership from partnership firm to a proprietorship firm.

[3] It may be stated that the petitioner firm inherited from M/S Singh & Co. vide order dated 01.01.1997 issued by the respondent. Thereafter, two persons i.e. Jaiprakash Singh and Sarungbam Premi Devi entered into deed of partnership dated 28.05.1999 for smooth running of business as a source of proprietor of M/S Singh & Co. (now re-designated as M/S Krishna Premi Oil City) without any change in terms of the license earlier given by the respondent.

[4] After the death of one of the partner i.e. Jaiprakash Singh, surviving partner i.e. Sarungbam Premi Devi submitted a proposal for re-constitution of the partnership to a sole proprietor. In this regard, no objection certificate has been given by the LRs of the

Jaiprakash Singh i.e. his wife Mrs. Renu Singh (wife), daughters namely Mrs. Shalini Shah, Mrs. Nalini Singh and Mrs. Dimple Singh Kochhar and his son Mr. Raj Singh.

[5] The petitioner also filed an additional affidavit dated 29.07.2025 reproducing for re-constitution of guidelines of dealership, especially para 7 and the same is read as:

“7. In cases where Nominee(s)/Legal Heir(s) not responding: In cases where one or more of the Nominee(s)/Legal heir(s) of deceased proprietor/partner(s) have not given their consent within specified period of 30 days, another time period of 30 days (as reminder) shall be given to the nominee(s)/legal heir(s) for expressing their willingness to join the dealership failing which, it will be treated that they {non-responding nominee(s)/legal heir(s) of deceased proprietor/partner(s)} are unwilling to be inducted in the Dealership and the OMC shall be at liberty to exercise its rights to approve re-constitution of the Dealership with the willing nominee(s)/legal heir(s). However, the surviving/incoming proprietor/partner(s) of the reconstituted Dealership will have to indemnify the OMC against {Annexure-12} any claims or demands which may be made in future.”

[6] Learned senior counsel for the petitioner also refers to the recent judgment of the Hon'ble Supreme Court in SLP (Civil) No. 1381 of 2025 dated 14.07.2025 titled Indian Oil Corporation Limited & Ors. vs. M/S Shree Niwas Ramgopal & Ors. where it was held that IOC has no role for determining who should be the members of the partnership in the re-constituted members when some of the original partners are expired and some of the surviving LR's are not interested. It is stated that a direction be issued to the respondent to accept proposal for reconstitution of the dealership from partnership firm to a proprietorship firm.

[7] On the other hand, Mr. L. Shashibhushan, learned senior counsel for the IOC, submits that the proposal for re-constitution as sole partnership has been returned to the petitioner for giving further information and giving necessary document. Learned senior counsel for the IOC has pointed out that there are LR's of Jaiprakash Singh, who have to submit no objection certificate by the petitioner.

[8] Learned senior counsel for the IOC also refers to clause 7 of the guidelines of the IOC which says that if some of the surviving LR's of the deceased partner are not interested in joining the re-constituted firm then the firm has to submit undertaking in the form of indemnity so that the firm will be liable to indemnify the OMC against any claim or demand which may be made in future (Annexure-12 of the Guidelines). If these requisite documents are submitted by the petitioner, the requisition can be considered.

[9] Learned senior counsel for the petitioner submits that the petitioner may be given two weeks' time to submit a fresh proposal with the requisite document, including the undertaking in the form of indemnity as mentioned in clause 7 of the guidelines issued by the authority.

[10] With this observation, writ petition is disposed of. The petitioner is permitted to submit a fresh proposal of changing the nature of the firm from the partner for re-constitution of the firm from partnership to sole proprietorship along with the requisite document as per guidelines within a period of (4) four weeks. IOC shall consider the fresh re-constitution proposal within a further period of four weeks from the date of receipt of the re-constitution proposal.

JUDGE

Kh. Joshua Maring

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