

*IN THE HIGH COURT FOR THE STATES OF PUNJAB
AND HARYANA AT CHANDIGARH.*

CWP 4495 of 2017

Date of decision: 22.3.2017

M/S Sangrur Filling Station

Petitioner

vs.

Indian Oil Corporation Ltd. And ors

Respondents

Present: Mr. Ashe Kumar Goyal, Advocate.
Mr. Ashish Kapoor, Advocate.

M.M.S.BEDI,J.

The petitioner is running a petrol pump under the name and style of M/S Sangrur Filling Station at Village Gharchon on SH-12 A, Bhwanigarh-Sunam Road, District Sangrur. Vide order Annexure P-18 dated 22.12.2016 the petitioner was required to submit documents by 9.1.2017, with a threat that in case the documents are not supplied, the supplies of all the products will be stopped. The contents of the above letter are as follows:-

- "1. Please refer our letter/s of dtd. 30.11.2013 wherein you were advised to upload necessary details/ documents pertaining to the dealership in our portal " E-Ledger" on the Corporations website [www.http//webapp.indianoil.co.in/ioconline/iocExstart. jsp](http://webapp.indianoil.co.in/ioconline/iocExstart.jsp).
2. Through the above details you are required to confirm certain crucial information which establishes the operation of the dealership as per approved constitution and is mandatorily required to be furnished to Corporation as and when advised.
3. In this regard reminders were also sent to comply with the same vide letters dtd. 21.06.2014 dtd. 03.07.2014 and 09.08.2014.

4. However, it is noticed that documents submitted are not as per approved constitution.
5. You are aware that you are required to comply with the directions of the corporation in line with the terms and conditions of the dealership agreement executed between you and the Corporation. Your avoidance/ failure to upload/ provide the same despite repeated advice in this regarding/ uploading of invalid documents is not acceptable and is in violation of the dealership agreement.
6. In the event of your not submitting the required valid documents by 09.01.2017, we shall be constrained to stop supplies of all products and take other necessary action as the Corporation deems fit.

The above letter is issued without any prejudice and in order to protect interest of the Corporation and to any other right the Corporation may have under the contract or the law of land.”

The petitioner had sent a legal notice dated 2.2.2017 (Annexure P19) informing that the petitioner has not violated any terms of the agreement of dealership. It has been informed that supplies of all the products has been stopped.

I have considered the facts and circumstances of the case and I am of the opinion that without specifically mentioning and without giving an opportunity of hearing, the supply of all the products has been stopped pursuant to order Annexure P-18. Order Annexure P-18 is apparently violative of rules of natural justice. In a similar case i.e. **M/S Kundan Lal Vijay Kumar vs. Indian Oil Corporation Limited, Mumbai and anr (CWP 4455 of 2017 decided on 7.3.2017)** the similar order has been set aside being violative of rules of natural justice.

Accordingly, the petition is allowed. Order Annexure P-18 dated 22.12.2016 is hereby set aside being violative of rules of natural justice and the steps taken pursuant thereto are held to be illegal. However,

a direction is issued that the respondents will be at liberty to issue a show cause notice to the petitioner specifically mentioning the irregularities or illegalities committed by the petitioner firm in violation of the agreement entered into between the parties. After following the rules of natural justice, it will be open to the respondents to pass any order, in accordance with law. The respondents are directed to restore the supplies of all the products forthwith.

March 22, 2017	(M.M.S.BEDI)
TSM	JUDGE
Whether speaking/ reasoned	Yes/ No
Whether Reportable	Yes/ No