



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **20.06.2022**

CORAM

THE HON'BLE MR.JUSTICE R.VIJAYAKUMAR

W.P. (MD) .No.4551 of 2012

and

M.P(MD)Nos.1 and 2 of 2012

M.Indra

... Petitioner

Vs.

1.The Executive Sale Officer,
Madurai Sales Area-LPG.,
Hindustan Petroleum Gas Filling Plant,
Kappalur,
Madurai.

2.The Regional Officer,
Hindustan Petroleum Corporation Ltd.,
Petro Bhavan,
3rd Floor, New No.82, Old No.47,
T.T.K.Road,
Alwarpet,
Chennai-600 018.

3.The Chairman and Managing Director,
Hindustan Petroleum Corporation Ltd.,
17, Jamshidji Tata Road,
Mumbai-400 020.

... Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records of the first respondent made in his proceedings No. Nil dated 06.04.2012 and quash the same and consequently forbear the respondents from transferring the equipments and customers of the petitioner H.P.Gas dealership business from petitioner's Rajapalayam branch without following due process of law and principles of natural justice.

For Petitioner : Mr.S.Karthik
for M/s.Profexs Associates

For Respondents : Mr.M.Sridhar
for R2
No Appearance
for R1 and R3



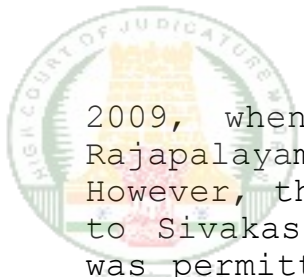
ORDER

The present writ petition has been filed challenging an order passed by Hindustan Petroleum Corporation, under which the writ petitioner, who is an LPG dealer was directed to surrender the equipments relating to Rajapalayam distribution area.

2. It is the case of the petitioner that her husband was appointed as LPG dealer in the year 1985 for Sivakasi Town Municipal Limits along with Rajapalayam as an extension counter, which was approved by the Chief Regional Manager, Chennai. Pursuant to the said agreement, the petitioner's husband was operating as a dealer both in Sivakasi as well as in Rajapalayam area till he passed away in the year 2009. Thereafter, the petitioner directly entered into an agreement with the Hindustan Petroleum Corporation Limits on 18.12.2009. As per the said agreement, the right granted to the petitioner's husband with regard to extension area of Rajapalayam was withdrawn and the petitioner was granted dealership only with regard to Sivakasi Municipal Limits. Though this agreement was entered into in the year 2009, the petitioner was permitted to continue to operate even in Rajapalayam area till 2012. Thereafter, since the existing dealer at Rajapalayam (who was appointed in the year 2007) has reached his viability, the Hindustan Petroleum Corporation Limited has directed the petitioner to surrender all her customers to the Rajapalayam dealer and to surrender the equipments connected therewith. The said order is under challenge in the writ petition.

3. The contention of the writ petitioner is that her husband was operating not only with regard to Sivakasi Town Municipal Limits, but also for Rajapalayam area from the year 1985 onwards and her husband has invested a huge amount for carrying out the dealership in Rajapalayam area. According to the learned counsel for the petitioner, they have obtained Explosives License and they are running a separate godown at Rajapalayam also. Without any prior notice, the impugned order has been passed. Some transitory time should have been granted to the petitioner to deal with the customers. The respondent corporation cannot transfer the customers of the petitioner dealer to some third party by way of the impugned order. Hence, he prayed for quashing the order passed by the corporation and for Mandamus to forbear the respondents from transferring the equipments and the customers of the petitioner dealer to some other dealer of Rajapalayam branch.

4. Per contra, the learned counsel for the respondent corporation has contended that even in the year 2007, a separate dealer was appointed for the Rajapalayam area. In the year



2009, when new agreement was entered into with the petitioner, Rajapalayam was not allotted to the petitioner as an extension area. However, the petitioner was granted dealership, which was restricted to Sivakasi Municipal Town alone. Even thereafter, the petitioner was permitted to operate for a period of 3 years up to 02.04.2012. The learned counsel for the respondent corporation pointed out that even in the territory, for which dealership have been granted, Corporation has got right to appoint an additional dealer as per the agreement. In the present case, the petitioner had been issued with dealership only for Sivakasi Town and not for Rajapalayam in the year 2009. Hence, he contended that concession that was granted to the writ petitioner from the year 2009 to 2012 cannot be extended any further. He further contended that as per clause 2 (b) (ii) of the agreement, the corporation has reserved its right to appoint any additional dealer in the same territory without any notice to the existing dealer. Hence, the direction to surrender the equipments and the customers for an extension area does not call for any notice or enquiry from the petitioner before passing such orders. Hence, he prayed for dismissal of the writ petition.

5. I have carefully considered the submissions made on either side.

6. Admittedly, when the petitioner entered into an agreement in the year 2009 with the respondent corporation, the dealership was restricted to Sivakasi Town alone and no licence was granted to run the extension counter at Rajapalayam. However, the petitioner has managed to run the extension counter at Rajapalayam for nearly 3 years. Thereafter, the respondent corporation has chosen to stick to the agreement of the year 2009 and requested the petitioner to surrender the equipments and the customers of Rajapalayam area. In view of the agreement dated 18.12.2009, the petitioner has no legal right, whatsoever to contend that she can continue with the extension counter at Rajapalayam area also. That apart, even as per the agreement, the respondent corporation is entitled to appoint additional dealers for the same area. In the present case, the extension counter that was being run by the petitioner dealer, even the de hors of the agreement, has been restricted by the respondent corporation after a period of 3 years by way of the impugned order in the year 2012. Hence, the same does not warrant a prior notice and hence there is no violation of principles of natural justice.

7. In view of the above said discussion, this Writ Petition is devoid of any merits and the same is dismissed. However, the learned counsel for the petitioner submits that for the Rajapalayam extension counter, the petitioner has invested a huge amount for carrying out the dealership. It is for the petitioner to approach the respondent corporation for refund of the same as per the scheme.



8. This Writ Petition is dismissed. No costs. Consequently, connected Miscellaneous Petitions are closed.

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Sd/-

Assistant Registrar (CS II)

/06/2022

Sub Assistant Registrar(CS)

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To

The Regional Officer,
Hindustan Petroleum Corporation Ltd.,
Petro Bhavan,
3rd Floor, New No.82, Old No.47,
T.T.K.Road,
Alwarpet,
Chennai-600 018.

+1 CC to M/s.PROFEXS ASSOCIATES, Advocate (SR-26882[F] dated 20/06/2022)

Order made in
W.P.(MD).No.4551 of 2012
20.06.2022

= SS/29/06/2022/ 4P 3C