

CWP-6874-2021

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2023:PHHC:141708

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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP-6874-2021

Date of Decision:07.11.2023

M/S RAGHUVASHI FILLING STATION

..... Petitioner

Versus

INDIAN OIL CORPORATION LIMITED (IOCL)

..... Respondent

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present : Mr. Akshay Kumar Jindal, Advocate
for the petitioner.

Mr. Ashish Kapoor, Advocate
for the respondents.

JAGMOHAN BANSAL, J. (Oral)

1. The petitioner through instant petition under Article 226 of the Constitution of India is seeking setting aside of order dated 04.02.2020 (Annexure P-3) whereby dealership of the petitioner has been terminated.

2. The petitioner was allotted retail outlet by respondent-Corporation. An agreement dated 23.02.2007 was executed between the parties. The petitioner provided land where petrol pump was installed. There is a lease agreement between the petitioner and respondent-Corporation. The petitioner from October' 2018, on account of financial crises, failed to get delivery of oil from the respondent-Corporation. The respondent-Corporation called upon the petitioner to make arrangement for lifting stock because act of petitioner was causing loss of sale to the

respondent-Corporation. The petitioner visited office of Corporation on 22.07.2019 and assured to restart lifting of stock, however, petitioner failed to comply with his commitment. By communication dated 14.09.2019, the petitioner was granted another opportunity to lift the product, however, petitioner failed to lift the product. The respondent left with no other option issued show cause notice which was followed by order dated 04.02.2020 (Annexure P-3) whereby agreement was terminated.

3. Learned counsel for the petitioner contends that Central Government, with intent to resolve problem faced by dealers who on account of financial crises or otherwise are unable to lift minimum stock, has formulated guidelines vide memo dated 24.10.2016. As per said guidelines, the respondent-Corporation was supposed to extend holiday period to the petitioner. The respondent was supposed to appoint ad-hoc dealer and thereafter give one time opportunity to petitioner to restart his operation. The respondent extended holiday scheme to the petitioner, however, without appointing ad-hoc dealer, the agreement was terminated which was contrary to the scheme formulated by Central Government.

4. Per contra, learned counsel for the respondent submits that petitioner stopped taking delivery in October, 2018. The petitioner was granted a number of opportunities and sufficient time to restore the working of the petrol pump. The petitioner was called in the office of respondent on 22.07.2019. The petitioner assured that sale would restart within a week, however, petitioner did not take delivery despite expiry of 2 months. Still petitioner was granted more time to take delivery. Left

with no option, a show cause notice was issued in 02.12.2019 which was followed by termination order dated 04.02.2020 (Annexure P-3). The respondent- Corporation initially appointed ad-hoc dealer and thereafter on 15.11.2022, a regular dealer under corpus scheme has been appointed. The termination was passed on 04.02.2020 (Annexure P-3) whereas the petition was filed in March, 2021 which indicates lackadaisical attitude of the petitioner.

5. I have heard the arguments of both sides and with the able assistance of learned counsel perused the record.

6. The conceded position emerging from record is that the petitioner stopped taking delivery in October, 2018. The petitioner was granted opportunity in July, 2019 and despite assurance he could not take delivery. The petitioner by communication dated 14.09.2019, despite having failed to avail holiday scheme, was granted time to take delivery. The petitioner was issued notice in December, 2019 and still he did not take delivery and impugned order was passed in February, 2020. The petitioner filed writ petition before this Court in March, 2021.

7. From the perusal of record, it is quite evident that petitioner was granted sufficient time to take delivery. The Corporation cannot be asked to wait for indefinite period. It is not a case of short lifting whereas it is case of non-lifting of stock. The petrol pump was completely closed in 2018 and it remained closed till March, 2020. The impugned order was passed in February, 2020 whereas the petitioner approached this Court in March, 2021 which indicates that petitioner was not much serious in restoration of his petrol pump. The respondent has already appointed a regular dealer, thus, it would not be just, fair and reasonable to cancel

appointment of regular dealer and restore dealership of the petitioner especially when there is admitted lapse on the part of petitioner.

8. In the wake of above-stated facts, discussion and findings, this Court is of the considered opinion that present petition deserves to be dismissed and accordingly dismissed.

(JAGMOHAN BANSAL)
JUDGE

07.11.2023
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Whether speaking/reasoned	Yes/No
<i>Whether Reportable</i>	<i>Yes/No</i>