

**DRAFT**

(On Non judicial stamp paper of appropriate value)

**LUBE CLEARING & FORWARDING AGENCY (CFA)**  
**AGREEMENT**

THIS AGREEMENT made on this \_\_\_\_\_ Day of \_\_\_\_\_, 20\_\_\_, between HINDUSTAN PETROLEUM CORPORATION LIMITED, a Company incorporated under the Companies Act, 1956, having its Registered Office at 17, Jamshedji Tata Road, Mumbai - 400 020 and a Regional Office at \_\_\_\_\_

(hereinafter referred to as **HPCL**, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the ONE PART and M/s. \_\_\_\_\_, a partnership/proprietorship firm/cooperative society/company having its office at \_\_\_\_\_ represented by \_\_\_\_\_, its Sole Proprietor/Partners/Directors (hereinafter referred to as the **C&F AGENT**) of the OTHER PART.

**WHEREAS:**

A) **HPCL** is engaged, inter-alia, throughout the country in the business of refining and marketing of petroleum products and more particularly

- Lubricating Oils including the **PRODUCTS** as detailed in **ANNEXURE “A”**.
- B) **THE C&F AGENT** has/will have the necessary **FACILITIES AND RESOURCES** as detailed in **ANNEXURE “B”** and is desirous of being appointed as **C&F AGENT** of **HPCL** for the promotion, sale and delivery of the **PRODUCTS** in the **AREA** mentioned in **ANNEXURE “C”**.
- C) **HPCL** has agreed to appoint the **C&F AGENT** to market the **PRODUCTS** in the **AREA** subject to the following terms and conditions.

**NOW THIS AGREEMENT** witnesseth and it is agreed by and between **HPCL** and the **C&F AGENT** as follows: -

1. **HPCL** hereby appoints the **C&F AGENT** for the purpose of marketing the **PRODUCTS** to the Industrial and other Customers on behalf of **HPCL** in the **AREA**.
2. This appointment will be for an initial period of two years from the date of this Agreement. However, the same may be determined without assigning any reason by either party by giving 3 months notice in writing to the other of its intention to terminate this Agreement and upon the expiration of any such notice, this Agreement shall stand cancelled and revoked but without prejudice to the rights of either party against the other in respect of any matter or

thing antecedent to such termination provided that nothing contained in this clause shall prejudice the rights of **HPCL** to terminate this Agreement earlier on the happening of the events mentioned in Clauses 23, 32, 36, 39 and 47 of the Agreement. The Agreement, unless terminated, may be extended for such further period as may be agreed by mutual consent.

3. Unless otherwise agreed, the **C&F AGENT** shall not, during the duration of this Agreement, manufacture or distribute/sell or assist any other Party to manufacture or sell/distribute any goods, which are in competition with the **PRODUCTS** of **HPCL**.
4. Nothing contained in this Agreement shall be construed to prohibit **HPCL** from making direct and/or indirect sales to any person or from appointing other **C&F AGENTS** for the purpose of direct or indirect sales at such place or places as **HPCL** may think fit. The **C&F AGENT** shall not be entitled to any claim or allowance for such direct or indirect sales.
5. The **C&F AGENT**, while selling **PRODUCTS**, shall not make any representation in the trade or give any warranty other than those specified in **HPCL's** printed Price List/Product Guide/Literature/Label.
6. **HPCL** reserves the right to include or delete any item in the **PRODUCTS** listed in **ANNEXURE "A"** and the right to truncate, increase or modify the **AREA** mentioned in **ANNEXURE "C"**

without liability or damages on account of such inclusion or deletion or change.

7. (a) **HPCL** reserves the right to take whatever action it deems necessary to protect its patents, trademarks, reputation, the **PRODUCTS** or the design of its containers/packaging from imitations, counterfeiting, unfair competition, etc.
  
- (b) The **C&F AGENT** shall inform **HPCL** promptly of any violation of **HPCL's** right in the matter of any patent, design and model, trademarks or brands, logo, emblems, or of any laws, rules, regulations, etc. having the force of statute of which he/it might have knowledge and, at all times, give to **HPCL** and to any of its officials or employees all reasonable and proper assistance in his/its power for the purpose of knowledge and also for furthering the interest of **HPCL** in the **AREA**.
  
- (c) The **C&F AGENT** shall use his/its endeavor to protect **HPCL's** interests within the **AREA** and in particular will watch closely for any unauthorised use of the trademarks, etc., by third Parties or marketing of the **PRODUCTS**, which, in any other way, are an infringement of **HPCL's** rights, referred hereinabove. The **C&F AGENT** shall notify **HPCL** forthwith in writing of any such unauthorised use of the trademarks or of **HPCL's** intellectual property rights or other rights by third Parties, which comes to his/its notice. However, the **C&F AGENT** shall not take any further action whatsoever on behalf of **HPCL** concerning such

unauthorised use unless specifically requested to do so in writing by **HPCL**. Any action, as aforesaid, taken by the **C&F AGENT** at the request of **HPCL** shall be at the sole cost of **HPCL**.

(d) The **C&F AGENT** shall not use trademarks, etc. belonging to **HPCL** except to the extent necessary to perform his/its obligations under this Agreement without their written consent.

(e) The **C&F AGENT** shall not sell or promote any of the **PRODUCTS** under any other trade name or trademark other than the trade name or trademark approved by **HPCL**.

8. The **C&F AGENT** hereby agrees with **HPCL** that he/it will retain in secrecy and keep strictly confidential all technical and commercial information he/it obtains with respect to the **PRODUCTS** and not at any time copy or use or disclose to any other person, firm, Corporation or authority such information except as may be first agreed by **HPCL** in writing and restrict the dissemination of such information to those of its trusted employees, agents and representatives as have a direct need to know such information in the performance of their obligations under this Agreement and bind each such employee, agent or representative to keep secret such information and know how as he shall receive in respect of the **PRODUCTS**.

9. The **C&F AGENT** is required to raise all sales invoices on a computer using software given by **HPCL**. These should be made available to **HPCL** as and when requested by them.
10. The C&F Agent shall carry out the documentation in the new System viz. the J. D. Edwards One World ERP System which is already implemented in HPCL. Therefore it shall also be bound by the following
  - a) HPCL grants the **C&F AGENT** a limited right to access the **ERP System** for the purpose of carrying out the documentation work under this agreement.
  - b) The **C&F AGENT** agrees to assume a single point responsibility for all his employees, servants and agents working under him and who are or may be authorized by him to access the computer or computers and/or the ERP System.
  - c) The **C&F AGENT** agrees that he will obtain the User ID and Password to access the computers/ERP System only for the purpose of carrying out the work under this Agreement and **strictly not share the information of the said User ID and Password** with any person whatsoever;
  - d) The **C&F AGENT** understands that the ERP System is protected by the relevant Trademarks and Copyrights laws in favour of the owner M/s. J. D. Edwards and the **C&F AGENT** will not seek or claim any right to the same in full or in part
  - e) The **C&F AGENT** expressly understands and agrees that the only permission being given hereunder is a limited right to access the ERP System for the purpose of carrying out the documentation during the subsistence of this agreement and this permission will not be taken as any right of use, licence or any other similar right or interest in the ERP System

- f) The **C&F AGENT** is solely responsible for any and all actions on the ERP System, the documentation and related work carried out by using the User ID/Password provided to the **C&F AGENT** either by himself or through his employees, servants, agents or any other person using the said User IDs;
- g) The **C&F AGENT** agrees that he will maintain confidential the said User IDs and Password and seek similar confidentiality from his employees, servants or agents and make them aware about the intellectual property rights of M/s. J. D. Edwards in regard to the ERP System. No work contrary to the HPCL work or against HPCL's interests shall be carried out by the **C&F AGENT** or his employees, servants or agents
- h) The **C&F AGENT** shall also provide immediate advise to HPCL of any User ID/Password which he considers to be at risk or leaked to any unauthorized third person or party for the purpose of enabling HPCL to disable the same. All wrongful or unauthorized actions till then shall be to the account of the **C&F AGENT** in such a case as well as in the previous cases
- i) The **C&F AGENT** shall use all facilities and equipment's such as computers, printers, Modem, VSATs, leased lines, communication lines, telephones, software, etc. only for the purpose of HPCL's documentation and related work and he shall be responsible for the safety and security of the said equipment and facilities until its proper return to HPCL
- j) The **C&F AGENT** shall not share any data, information, programs, reports, manuals or details stored or generated in or from the ERP System with any other person by copying, downloading, replicating, emailing, etc. or through any other method.

11. The **C&F AGENT** shall arrange to provide **FACILITIES AND RESOURCES** detailed in **ANNEXURE “B”**. The godown thus provided should be a covered and segregated enclosure in the premises approved by **HPCL** to stock approx. 15 - 20 KL of **PRODUCTS** in the initial stage. The godown so provided shall be for exclusive use of **HPCL**. Adequate open space for storage of drums should also be provided.
  
11. The **C&F AGENT** shall not alter, remove or tamper with the marks, number and label on the **PRODUCTS** as procured from **HPCL**.
  
12. The **C&F AGENT** undertakes to maintain and continue the **FACILITIES AND RESOURCES** during the terms of this Agreement and shall increase the same keeping in view the size of the business.
  
13. The **C&F AGENT** shall, at all times, keep the **FACILITIES AND RESOURCES** in clean and proper repair and secured and wind and water tight with all the usual facilities like water, electricity, security against theft, fire and other natural elements. The **C&F AGENT** shall not interfere with or attempt to adjust the godown, storage facilities or any part thereof. The **C&F AGENT** shall be responsible for notifying **HPCL** immediately of the necessity of any repair or adjustment and thereby ensuring that the said godown and storage facilities are in proper working order.

14. All repairs to the godown and the storage facilities shall be done by the **C&F AGENT** at his/its own cost. Provided always that **HPCL** may call upon the **C&F AGENT** to carry out any repairs by himself/itself and at his/its cost in which event the **C&F AGENT** shall be bound to carry out such repairs as directed by **HPCL**.
  
15. The **C&F AGENT** shall not add to or alter the godown and storage facilities or remove any part thereof in any manner whatsoever except with the approval of **HPCL** in writing first. If the **C&F AGENT** commits breach of this clause, **HPCL** shall have the right without previous notice, to reinstate and restore the same to its former condition in all respects and the cost thereof shall be paid by the **C&F AGENT** to **HPCL** on demand.
  
16. The **C&F AGENT** shall, subject to force majeure, be liable to **HPCL** for any loss, damage or injury caused to the **PRODUCTS**, and on demand, pays **HPCL** at its office hereinbefore mentioned, the amount of loss, injury or damage. The **C&F AGENT** on demand shall pay the amount quantified as loss, injury or damage by **HPCL**, which shall be the sole judge in deciding the amount of loss, damage or injury. The **C&F AGENT** shall, whenever required, submit to **HPCL** the inventory duly signed by him/itself of the **PRODUCTS** so entrusted to him/itself. Further the **C&F AGENT** shall not be entitled to use the **PRODUCTS** for purpose other than those for which they were supplied.

17. The **C&F AGENT** is required to take out necessary comprehensive insurance policies at his/its own cost covering the **PRODUCTS** of **HPCL** under his/its possession. Copy of such policy should always be available at the premises.
18. All **PRODUCTS** will be supplied by **HPCL** in the name of **HPCL** to the said godown operated by the **C&F AGENT** and will be received by the **C&F AGENT** on behalf of **HPCL**. All such **PRODUCTS** will be stored by the **C&F AGENT** in the godown and storage facilities provided and delivered only to the specified customers of **HPCL**.
19. The **C&F AGENT** shall be responsible for the due compliance with all the provisions of the Explosives Act, Shops and Establishment Act, Workmen's Compensation Act and all other Central, State or Local Acts which may be applicable and the **C&F AGENT** shall indemnify **HPCL** against all loss and damage which **HPCL** may suffer by reason of his/its non-compliance or non-observance of any such provisions and/or by reason of his/its wilful default or neglect. The **C&F AGENT** shall take out the insurance policy against any liability under the provisions of Workmen's Compensation Act. Copy of all such licenses, consents, permits and policies shall be made available at the premises.
20. The **C&F AGENT** shall maintain all accounts and registers in the name of **HPCL** and keep a record of all deliveries and sales in

- duplicate, one copy whereof shall be forwarded by the **C&F AGENT** to **HPCL** at such intervals as **HPCL** may from time to time direct.
21. The **C&F AGENT** also shall be bound to maintain documents in the manner desired and directed by **HPCL** on forms prescribed by **HPCL** from time to time. These documents will be submitted by the **C&F AGENT** to **HPCL** at such intervals as **HPCL** may from time to time direct. Primarily the documents will relate to the stock of the **PRODUCTS** made available to the **C&F AGENT** for delivery to **HPCL's** customers, the deliveries made to customers against invoices, collections made from them and amounts deposited in the specified Bank account.
  22. **HPCL** hereby authorises the **C&F AGENT** to collect from the customer for and on behalf of **HPCL** the price of the **PRODUCTS** delivered to the customers of **HPCL** by the **C&F AGENT** on behalf of **HPCL** and to grant proper receipts and discharges for the same. The **C&F AGENT** shall be guided by the systems and procedures communicated by **HPCL** in this behalf from time to time.
  23. The **C&F AGENT** will be responsible for timely depositing all payments received in **HPCL's** specified bank account. Any delay in the submission will result in **HPCL** charging interest at 18 % per annum toward delayed deposit. **HPCL** will be free to terminate the Agreement if repeated delay occurs.

24. **HPCL** may, from time to time, approve in writing certain discounts and incentives to the customers. Credit, if at all, will be extended to a customer on approval of **HPCL** in writing. The **C&F AGENT** will be fully responsible for the timely collection of payment. **HPCL** will charge the **C&F AGENT** overdue interest on all outstandings beyond the approved credit period at 18 % per annum. The **C&F AGENT** will have to make good the amount, if customer, for any reason, does not pay after 60 days of due date along with interest at 18 % per annum beyond the approved credit period. The **C&F AGENT** will be responsible for proper administration of credit and discount. Any loss to **HPCL** due to any unauthorised credit and discount will have to be made good by the **C&F AGENT**.
25. The **C&F AGENT** shall ensure that the name of **HPCL** appears prominently on all storage facilities mentioned in **ANNEXURE “B”**. All correspondence made by the **C&F AGENT** must be made on the letterheads of **HPCL** given by **HPCL**.
26. There should be no discrimination by the **C&F AGENT** in the delivery of the **PRODUCTS** of **HPCL** to the customers within the area allocated. There should be no delay or laxity on the part of the **C&F AGENT** in giving prompt and efficient service to the customers.
27. **HPCL’s** measurement on point of despatch shall be accepted as conclusive evidence of the quality and quantity delivered and the **C&F AGENT** shall be held accountable for full quantity of the

**PRODUCTS** despatched to the **C&F AGENT** by the despatching point of **HPCL**. The **C&F AGENT**, however, will be at liberty to be represented during the measurement if the **C&F AGENT** so wishes and to verify the correctness of **HPCL's** measurement or quality. **HPCL** shall be entitled to proceed in the absence of such representatives, and in any event, the quantities declared by **HPCL** shall be accepted by the **C&F AGENT** as correct and the **C&F AGENT** will be accountable for the deficiency, if any.

28. Any loss in transit which may be claimed by the **C&F AGENT** shall have to be supported by an endorsement on the documents duly acknowledged by the driver at the time of receipt of the material. If no endorsement is made by the **C&F AGENT** at the time of receipt of product, the **C&F AGENT** will be deemed to have received the full quantity despatched by **HPCL** and the **C&F AGENT** would be accountable for the full quantity as shown by **HPCL's** measurement at point of despatch.
  
29. The **C&F AGENT** shall employ such staff as may be deemed necessary by the **C&F AGENT** for carrying out efficiently his/its obligations under this Agreement. Such employees and assistants will however have no concern with **HPCL** and the **C&F AGENT** shall be solely responsible for their wages and other emoluments. The **C&F AGENT** shall indemnify **HPCL** for any negligence or default on the part of any such employees or assistants of the **C&F AGENT** and any

claim or demand made against **HPCL** by any of such employees and assistants.

30. The **PRODUCTS** supplied to the **C&F AGENT** from time to time and maintained in the custody of the **C&F AGENT** in the name of **HPCL** will be inventoried as per **HPCL** a procedure as and when **HPCL** deems fit and so directs. If on any such inventory any difference is found between the total quantity made available to the **C&F AGENT** and the stocks actually found on inventory at the premises and the stock delivered to **HPCL's** customers, the **C&F AGENT** shall be held liable for the deficiencies and given credit for overages.
31. **HPCL** shall also have the right to determine the Agreement upon the commission of the **C&F AGENT** of any fraud on **HPCL** or upon the **C&F AGENT** failing to carry out any stipulation contained in the Agreement for seven days after being required in writing to do so by **HPCL**.
32. On termination or earlier determination of this Agreement by **HPCL**, **HPCL** shall have the right to enter the premises mentioned in **ANNEXURE "B"** forthwith and to take over all the **PRODUCTS**, books of account and any other property of **HPCL** without any protest, opposition or obstruction. Such taking over will be without prejudice to **HPCL's** right to recover from the **C&F AGENT** all

amounts which may then be due and owing by the **C&F AGENT** to **HPCL** in terms of the Agreement.

33. (i) As remuneration for the services to be rendered to **HPCL** by the **C&F AGENT**, **HPCL** shall pay to the **C&F AGENT** the commission, as advised separately, within 30 days of the succeeding month for which the same is due. The commission is intended to cover:

- a. The operating expenses of the **C&F AGENT** including the staff required for handling the products and for keeping papers, books, records and accounts.
- b. The operational losses which would include loss in transit not authenticated by a shortage certificate and loss during handling of the products in the depot.

(ii) **HPCL** reserves the right to vary the commission at any time during the continuance of this Agreement at **HPCL's** absolute discretion.

(iii) **HPCL** reserves the right to change or alter the system of remuneration to the **C&F AGENT** from a thruput-based system to any alternative system.

34. **HPCL** reserves the right at all times to make direct delivery to any concerns, companies, government, municipalities, Railways, military or other bodies or authorities within the **AREA** mentioned in

- ANNEXURE “C”**. Normally, all large volume customers (Tier I) will be serviced by **HPCL** and other customers (Tiers II & III) will be handled by the **C&F AGENT**.
35. **HPCL** may, in its absolute discretion, at any time during the currency of the Agreement require the **C&F AGENT** to furnish such security for the due performance of the obligations of the **C&F AGENT** under this Agreement, as **HPCL** deems fit subject to a minimum of Rs. 20 Lakhs (Rupees Twenty Lakhs) by way of a Bank Guarantee from a Scheduled Bank as per format given by **HPCL**. If the **C&F AGENT** fails to furnish such security within 14 days from the date of receipt of the demand for such security, the **C&F AGENT** shall be deemed to have committed a breach of the terms of this Agreement and **HPCL** shall thereupon have the right to terminate the Agreement forthwith thereafter.
36. The rights granted under this Agreement are not transferable and the **C&F AGENT** shall not under any circumstances sell, dispose off, or assign or delegate or part with the possession of godown or storage facilities and his/its rights under the Agreement or any part thereof to any person or persons firm or company whatsoever without the previous written consent of **HPCL**.
37. **HPCL**, by its officers, representatives and employees shall have at all material times and in any circumstances free and unrestricted access to the said godown and storage facilities of the **C&F AGENT**.
38. Notwithstanding anything hereinbefore contained this Agreement shall ipso facto terminate when any partner of the **C&F AGENT**, if it is a partnership firm, shall be adjudged insolvent or effect a

- composition with his creditors and such termination shall be effective from the date of declaration of the insolvency.
39. The **C&F AGENT** shall not carry on any business other than that of sale of **PRODUCTS** supplied by **HPCL** at/from the premises described in **ANNEXURE “B” (FACILITIES AND RESOURCES)**.
  40. The **C&F AGENT** shall not, either directly or indirectly, pledge the credit of **HPCL** or do any act, deed, matter or things whatsoever which is in any manner pre-judicial to the interest or is likely to affect adversely the credit worthiness or reputation or goodwill of **HPCL** amongst the members of the trade or general public.
  41. The **C&F AGENT** shall, in the event of any dispute with any party in connection with or relating to the business of the **C&F AGENCY**, or in respect of any legal notice or proceeding in which **HPCL** is also made a party, forthwith inform **HPCL** about the same and shall not without **HPCL's** approval or consent in writing compromise or compound any dispute or grant any benefit or concessions or relief or release or discharge to any party.
  42. The **C&F AGENT** shall always, during the subsistence of this Agreement, devote his/its whole business, time and energy for pushing/increasing the business of **PRODUCTS** and shall, in all such dealings act, honestly and faithfully with responsibility and integrity and shall carry out all orders and instructions of **HPCL** and shall not

- engage or be interested either directly or indirectly as **C&F AGENT** in any other trade or business competing with the business of **HPCL**.
43. The **C&F AGENT** shall not mix the **PRODUCTS** with any other oil or substance or adulterate the **PRODUCTS** in any other manner.
44. The key responsibilities of the **C&F AGENT** will be:
- (a) Supply and sell **PRODUCTS** to all specified customers in the **AREA** mentioned in **ANNEXURE “C”**.
  - (b) Soliciting new business in the industrial segment based on targets set in consultation with **HPCL**.
  - (c) Organising delivered supplies to the industrial customers. Expenses for such delivery would be borne by the **C&F AGENT**.
  - (d) Timely collection of payment from credit customers.
  - (e) Maintaining sales force as directed by **HPCL**. Ensuring regular and effective sales calls to all customers by his/its sales force at regular intervals. **HPCL** may from time to time give direction on the frequency and content of customer calls.
45. Neither party shall be liable for any failure or omission to fulfill observe or carry out any of the terms of this Agreement if fulfillment is delayed, hindered or prevented by any circumstances which is not within the immediate control of the party affected thereby. It shall not give rise to any claim by either party hereto against the other or be deemed to be a breach of this Agreement. Instances of such

circumstances are war, hostilities, riots, act of god, fire, flood, strike, lockout, government policy, non-availability or shortage of **PRODUCTS**. In the event of any of the foregoing circumstances beyond the control of **HPCL**, it shall be liberty of **HPCL** to withhold, reduce or suspend supply of **PRODUCTS** to such extent as **HPCL** in its discretion may think fit.

46. Notwithstanding anything to the contrary herein contained, **HPCL** shall be at liberty to terminate this Agreement forthwith upon or at any time after the happening of any of the following events, namely: -

- (a) If the **C&F AGENT** shall commit a breach of any of the covenants and stipulations contained in the Agreement, and fail to remedy such breach within seven days of the receipt of a written notice from **HPCL** in that regard.
- (b) Upon
  - i) the death or adjudication as insolvent of **C&F AGENT**, if he is an individual;
  - ii) The dissolution of the partnership of the **C&F AGENT's** firm or the death of any partners, if the **C&F AGENT** is a firm.
  - iii) The liquidation, whether voluntary or otherwise, or passing of an effective resolution for winding up, if the **C&F AGENT** is a Company or Cooperative Society.
- (c) If the **C&F AGENT** shall for any reason make default in payment to **HPCL** in full of his/its outstandings as appearing in

**HPCL's** books of account beyond seven days of demand by **HPCL**.

- (d) If the **C&F AGENT** does not adhere to the instructions issued from time to time by **HPCL** generally and particularly in connection with safe practices to be followed by him/itself in the supply/storage of **PRODUCTS** or otherwise.
  - (e) If the **C&F AGENT** shall contaminate or tamper with the quality of any of the **PRODUCTS** supplied by **HPCL**.
  - (f) If the **C&F AGENT** shall sell the **PRODUCTS**, supplied by **HPCL** at prices higher than those fixed by **HPCL**.
47. On termination of **C&F AGENT's** appointment, the **C&F AGENT** shall forthwith return to **HPCL** all books, documents, papers and other property of **HPCL** in **C&F AGENT's** possession or control.
48. On termination of this Agreement, the **C&F AGENT** shall not engage or be engaged as **C&F AGENT** in any business, firm or Company manufacturing, selling or dealing in **PRODUCTS** similar to those of **HPCL** for a period of one year from the date of termination.
50. (a) All disputes or differences arising out of or in relation to this Agreement, shall be firstly mutually discussed and resolved by General Manager - Lubes of **HPCL** and \_\_\_\_\_ of **C&F AGENT**. In case the disputes and differences are not so mutually

resolved but continue to subsist the same shall be referred to Arbitration. Director (Marketing) of **HPCL** shall, appoint an officer of **HPCL** as Sole Arbitrator to adjudicate the disputes and differences between the parties.

- (b) The **C&F AGENT** shall not be entitled to raise any objection to any such Arbitrator on the ground that the Arbitrator is an Officer of **HPCL** or that he has to deal with the matters to which the Agreement relates or that in the course of his duties as an Officer of **HPCL** he had expressed views on all or any of the matters in dispute or difference.
- (c) In the event the Sole Arbitrator, to whom the matter is originally referred to vacates office or is unable to act for any other reason, Director (Marketing) of **HPCL** aforesaid shall nominate another Officer of **HPCL** as Sole Arbitrator.
- (d) Such person nominated as Sole Arbitrator shall be entitled to proceed with the Arbitration from the stage at which it was left by his predecessor. It is the term of this Agreement that no person other than the person nominated by the Director (Marketing) of **HPCL** shall act as Sole Arbitrator.
- (e) The award of the Sole Arbitrator shall be final, conclusive and binding on all the parties to the Agreement, subject to the

provisions of the Arbitration and Conciliation Act, 1996, or any statutory modifications or reenactment thereof. The Sole Arbitrator shall give reasons for the Award.

- (f) The Award shall be made in writing and published by the Sole Arbitrator within six months of entering upon reference or within such further time mutually extended by the parties . The Sole Arbitrator shall have power to order and direct the parties to abide by, observe and perform all such directions as the Arbitrator may think fit and proper to issue having regard to the fact that the Arbitration proceedings have to be completed within the specified period solely on the principles of natural justice.
  
- (g) The Sole Arbitrator shall be at liberty to appoint, if found necessary, any accountant or engineer or other person to assist him/her and to act by the opinion so taken.
  
- (h) The Sole Arbitrator shall have power to make one or more Award(s), whether interim or otherwise, in respect of the dispute and difference, and in particular, shall make separate Awards in respect of each claim or counter claim of the parties.

- (i) The Sole Arbitrator shall be entitled to direct any of the parties to pay the costs of Arbitration in such manner and to such extent as the Sole Arbitrator may in his discretion, determine and shall also be entitled to require one or both the parties to deposit funds in such proportion to meet the Arbitration expenses. The parties to Arbitration, whenever called upon to do so, shall be bound to comply with such direction without any demur.
  
- (j) The venue of Arbitration shall be in \_\_\_\_\_. All documents and oral proceedings shall be conducted in the English language. The Award shall also be made in the English language.

51 Any indulgence shown by **HPCL** or failure on the part of **HPCL** to enforce at any time, the provisions of this Agreement shall, in no way, be construed to be a waiver of such provisions or affect **HPCL's** right to enforce such provisions any time thereafter.

52. All Notices required to be given and approvals required to be obtained hereunder shall be given and obtained in writing. All notices shall be sent only by registered post/courier/hand delivery. All Notices

required to be served by either party hereto upon the other shall be deemed properly served if delivered:

In case of **HPCL** to:

(Designation) :

\_\_\_\_\_

(Full Postal Address) :

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

In case of **C&F AGENT** to :

(Full Postal Address) :

\_\_\_\_\_

\_\_\_\_\_

53. In addition to any right or lien to which **HPCL** may by law or under this Agreement be entitled, **HPCL** shall have lien on the property of the **C&F AGENT**, viz. **“FACILITIES AND RESOURCES”** herein enclosed as **ANNEXURE “B”** in the matter

of recovery of amounts due from the **C&F AGENT** to **HPCL** for which Notice or Debit Notes or invoices or claims have been made/sent by **HPCL**.

54. The **C&F AGENT** will not sell or agree to sell their right, title and interest in the **“FACILITIES AND RESOURCES”** herein listed as **ANNEXURE “B”** until the expiration of 90 days after they shall have given to **HPCL** notice of their intention to sell which Notice shall state the price at which the **C&F AGENT** intend to sell and such other particulars as **HPCL** may require and shall give an option to **HPCL** to purchase their right and interest in the said **“FACILITIES AND RESOURCES”** at the said price, such option to be exercised within a period of 90 days from the date of receipt of such notice.

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IN WITNESS whereof the Parties hereto have caused this Agreement to be duly signed at \_\_\_\_\_ .

For **HPCL**

For **C&F AGENT**

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Duly Constituted Attorney

Witnesses:

1.

1.

2.

2.

**ANNEXURE – A TO CFA AGREEMENT DATED \_\_\_\_\_**

ALL HPCL GRADES/BRANDS OF LUBRICATING OILS, GREASES  
AND SPECIALITY OILS COVERED IN THE CFA POLICY  
ANNOUNCED FROM TIME TO TIME.

HPCL

C&F AGENT

**ANNEXURE – B TO CFA AGREEMENT DATED \_\_\_\_\_:**

**FACILITIES AND RESOURCES:**

**a) Facilities:**

Covered Godown(minimum 1000 Sqr. Ft)  
Office space (minimum 150-200 Sqr Ft)  
Computer with software  
    a) Broadband Internet  
    b) e-mail  
Printer  
Telephone  
Tempos / Trucks

**b) Manpower:**

- I. 3-4 Salesmen
- II. 1-2 Office Staff
- III. 1-2 Loading Persons

**c) Working Capital:**

- I. Capability to invest Rs 50 Lakhs on a continuous basis
- II. Bank Guarantee from a scheduled Bank of minimum Rs. 20 Lakhs

HPCL

C&F Agent

**ANNEXURE – C TO CFA AGREEMENT DATED \_\_\_\_\_**

**Area of Operation:**

Districts covered in State of :

HPCL

C&F Agent