



Ref: GRO/RET/LOI/401/305

Date : 19.06.2015

Sh.Shokeen Khan S/o Sh. Sahab Khan
R/o VPO Singar, Tehsil - Punhana
Distt. Mewat - 122508

Sub: Letter of Intent for category "B" type MS/HSD Retail Outlet Dealership proposed at Location: VILLAGE SINGHAR ON HODAL PUNHANA ROAD District: MEWAT State- HARYANA Category: OPEN.

Dear Sir,

We refer to our advertisement dated 25.10.2014 and your application form No.401/305 for the award of MS/HSD Retail Outlet dealership at the above location and the subsequent draw of lot held at Gurgaon Regional Office on 16.04.2015.

Please be informed that by this Letter of Intent, we propose to offer you a Retail outlet dealership of Hindustan Petroleum Corporation Ltd. at the above location on the following terms & conditions:-

1. You have offered a suitable piece of land admeasuring 41 meters approx.(frontage) X 93 meters (depth) at survey no. 87//8/1(3-13), 13/2(3-17) as indicated by you in the application for the development of the subject Retail Outlet. You have to make available this land within 2 months from the date of this letter falling which this offer is liable to be withdrawn.
2. For making the land available as required above, you will ensure that the land arranged by you is either registered in your name or it should be leased to you for a minimum period of 30 years
3. As and when advised by the Corporation, the site offered by you would be duly developed up to the road level by cutting/filling (as applicable), with good earth/murum, layer-wise compacted as per standard engineering practices. You shall also construct necessary retaining wall and compound wall of 1.5 meters height, designed as per site conditions as per approval of Corporation as committed under Clause 12 (e) of affidavit submitted by you along with application. Kindly note that in case the site as offered by you for putting up the Retail Outlet is not developed as per the advice of the Corporation, this Letter Of Intent will be withdrawn without any further notice.

4. You will provide at the retail outlet infrastructural facilities like Driveway, Sales Office, Show room, Store, Toilet, Generator, Compressor, with room, electrical connection up to the sales building, Yard lighting, water connection / bore well and staff room as mentioned in the Brochure and after obtaining necessary clearances/approvals/licenses as applicable in each case.

5. In addition, you will also provide the following basic facilities at your cost at the Retail Outlet premises:-

a. Clean drinking water.

b. Free Air.

c. Clean toilet.

d. Telephone.

e. First aid kit with valid medicines.

f. Adequate illumination.

g. PUC facilities, wherever it is mandatory.

h. Other facilities as may be specified by the Corporation from time to time.

6. Additional facilities like Canopy, Service Station or any other facility as may be decided by Hindustan Petroleum Corporation Ltd from time to time would also be required to be developed by you.

7. Hindustan Petroleum Corporation Ltd will provide storage tanks and pumps and other facilities considered necessary at the Retail Outlets.

8. For the facilities that may be provided by the Corporation as aforesaid, we will recover from you license fee as may be decided by the Corporation and applicable to you from time to time. At present, the license fee recoverable is Rs. 18/- KL for MS and Rs. 16/- KL for HSD.

9. The corporation will not be held liable for any loss or damage on account of delay that may be caused in providing you the facilities mentioned above whatever may be the cause of the failure or delay.

10. You will ensure all financial and other arrangements for operating the retail outlet dealership.

In case it is found that the funds stated in the application for the purpose of setting up and operation of the dealership are not made available as and when required, this LOI can be withdrawn and you will have no claim/damages whatsoever against the Oil company.

11. You shall not induct any partner(s), except your spouse as per terms and conditions of the Hindustan Petroleum Corporation Ltd and shall give an undertaking to this effect.

12. It will always be a basic condition for the award of MS / HSD retail outlet dealership that you shall be paying attention towards day to day working of the dealership by personally

You will not be eligible for taking up any employment. If you are already employed you will have to resign from the employment and produce the letter of acceptance of resignation by the employer before the issuance of Letter of Appointment by the HPCL.

13. You will deposit with us a Demand Draft for Rs. 5,00,000/-(Rupees Five Lacs only) drawn on any scheduled bank in favor of Hindustan Petroleum Corporation Ltd payable at GURGAON towards security Deposit at the time of issuance of appointment letter after

compliance of all the requirements of LOI. Kindly note that the Security deposit will not carry any interest and is refundable at the time of expiry of agreement between you and the Corporation. However, if such expiry of agreement is consequent to proven adulteration/mispractice at the dealership, this amount will be forfeited. Moreover, this Corporation reserves its right to adjust this amount towards any dues to it.

14. You will also remit Rs.50,000/- (Rupees Fifty Thousand Only) towards Non-refundable Fixed Fee by way of a Demand Draft for Rs.50,000/- (Rupees Fifty Thousand Only) drawn on any scheduled bank in favor of Hindustan Petroleum Corporation Ltd payable at GURGAON Within 15 days of receipt of NOC.

15. You will be notified by the corporation, in writing, after the facilities mentioned above are made available and are ready for commissioning the dealership. Immediately on receipt of the above notice from the corporation, you shall obtain each and every license necessary for operating your dealership as may be required under any central / state govt. / municipal or local authorities for the time being in force.

16. If we find that the progress made by you towards the above is not to our satisfaction, this offer is liable to be withdrawn.

17. Please note that you are required to fulfill the conditions with regard to inducing Spouse as Co-owner in the dealership before issuance of Letter of Appointment.

18. This letter of intent will stand automatically withdrawn and cancelled on the happening of any of the following events:-

a) In case you or your close relatives like spouse, unmarried son(s) and unmarried daughter(s) receive anytime or have received a letter of intent for any other dealership or distributorship from our company or any other oil company either in your individual capacity or in partnership with any other individual(s).

b) If it is found that you have suppressed and / or misrepresented any material facts in your application.

c) In case you are found to be convicted for any criminal / economic offence involving moral turpitude.

d) In the event of death if you are an individual/partner.

19. In case you are not able to provide the land / develop facilities within the specified time or fail to fulfill the terms & conditions of LOI, then LOI can be withdrawn.

The LOI would also be withdrawn and selection cancelled, if you are unable to submit the Non-refundable fixed fee within the stipulated time.

20. You will not sell/lease/mortgage the said land to any third party without Hindustan Petroleum Corporation Ltd permission in writing, so long as the agreement (DPSL) is valid and Hindustan Petroleum Corporation Ltd facilities continue at the site.

21. In case of termination of / resignation from the dealership, within 3 months of disassociation from Hindustan Petroleum Corporation Ltd you will execute a lease or will sub lease the land together with structures thereon to the company if the company so desires, for a period not exceeding 30 years at normal yearly rental (excluding Municipal Taxes) which shall not be

more than 10 % of the then prevailing market value of the land and the structures standing thereon.

22. This letter is merely a letter of intent and is not to be construed as a 'firm offer' of dealership to you. The dealership will be allotted to you on your complying with the terms and conditions spelt out herein above by issuance of appointment letter along with signing of our standard dealership agreement between you and us.

Should you require any further details / guidelines, please get in touch with our office at the address mentioned below :

HINDUSTAN PETROLEUM CORPORATION LTD
GURGAON RETAIL REGION OFFICE
104, SILVERTON TOWER, 1ST FLOOR,
GOLF COURSE EXTENSION ROAD
SEC.- 50 GURGAON - 122001

Please acknowledge receipt of this letter.

Thanking you,

Yours faithfully

For HINDUSTAN PETROLEUM CORPORATION LTD.

Sandeep Maheshwari
Chief Regional Manager &
Duly Constituted Attorney

