

**BROCHURE**

**ON**

**UNIFIED GUIDELINES FOR SELECTION**

**OF**

**LPG DISTRIBUTORS**



**July 2016**

**Guidelines on Selection of LPG Distributors  
(Applicable to all locations advertised / re-advertised from July 2016 onwards)**

Guidelines in this Brochure for Selection of Distributors (hereinafter referred to as 'LPG Distributors' and 'LPG Distributorships' as the case may be) of Liquefied Petroleum Gas (LPG), will be applicable to all locations advertised for appointment of LPG Distributorship effective from July 2016.

**1. DEFINITIONS**

The following definitions will be applicable:

1.1. **District:** The word 'District' will have the definition as per the definition of "district" as per Revenue Department of the concerned State Government.

1.2. **Sub-division:** The word 'Sub-division' will have the definition as per the revenue Department of the concerned State Government.

**1.3. Type of Distributorship Area:**

1.3.1 'Sheheri Vitrak' will mean LPG Distributor located in 'Urban Area' as per Census 2011. Sheheri Vitrak will service the LPG Customers located within the Municipal Limits of the Metro city/City/Town.

1.3.2 'Rurban Vitrak' will mean LPG Distributor located in 'Urban - Rural Area'. Rurban Vitrak will service the LPG Customers located in the town and the villages falling within 15 km from LPG distributorship's location and the area specified by the respective OMCs.

1.3.3 'Gramin Vitrak' will mean LPG Distributor located in 'Rural Area' as per Census 2011. Gramin Vitrak will service the LPG Customers located in the villages falling within 15 km from the boundary limits of the LPG Distributorship's location and the area specified by the respective OMCs.

1.3.4 'Durgam Kshetriya Vitrak (DKV)' will mean LPG distributor located in Difficult and Special Areas (like Hilly regions, Forests area, Tribal inhabited area, sparsely populated, disturbed area, islands, Left Wing Extremism (LWE) affected areas) will be set up where setting up of Gramin and Rurban Vitrak are not feasible. They will service the LPG customers situated in such DKV areas as specified by the respective OMCs.

1.4. **Metro city** means a city classified as "X" on the basis of Office Memorandum issued vide F.No. 2/5/2014-E.II (B) dated 21.7.2015 by Ministry of Finance for the purpose of grant of HRA i.e Delhi (UA), Greater Mumbai (UA), Chennai (UA), Kolkata (UA), Hyderabad (UA), Ahmedabad (UA), Bengaluru (UA) and Pune (UA).

- 1.5. **City** means all those cities classified as “Y” on the basis of Office Memorandum issued vide F.No. 2/5/2014-E.II (B) dated 21.7.2015 by Ministry of Finance for the purpose of grant of HRA.
- 1.6. **Town** means all those towns not covered under the definition of Metro city and City as defined in Point Nos. 1.4 and 1.5 above.
- 1.7. **Village** means the basic unit of rural areas which is the revenue village having definite surveyed boundaries. The revenue village may comprise several hamlets. Cluster of Villages means more than one revenue village, contiguous to each other, taken together to work out refill sale potential in the feasibility study for Gramin Vitrak or Durgam Kshetriya Vitrak.
- 1.8. **‘LPG Suvidha Kendra’** is a place in village set up on temporary basis and managed by an authorized person of concerned Durgam Kshetriya Vitrak. From the ‘LPG Suvidha Kendra’ LPG customers will get products and services related to LPG like new LPG connections, supply of LPG cylinders refill, attending to LPG Leakage complaints, servicing of LPG gas Stoves/hotplate, building awareness on use of LPG, etc. The facility can be withdrawn at any time at the instance of the OMCs.
- 1.9. **Location** means the area identified for setting up of new LPG Distributor. It can be a locality/ village/cluster of villages/town or city which is mentioned in the Notice for Appointment of LPG Distributors.
- 1.10. **Market** means demarcated area in which OMCs allow LPG Distributorship to service LPG customers. Market can be a locality/ village/cluster of villages/town or city.
- 1.11. **Virgin Market** means market where no LPG Distributorship of any OMC is presently located.
- 1.12. **200-point Roster** means a set of serial numbers from 1 to 200, against each serial number reservation category is allocated such that when 200 numbers of Distributors are planned in the Roster, the percentage reservation of each category is achieved. The principle will not apply for such locations which are considered beyond marketing plan or locations under Durgam Kshetriya Vitrak where distributorships are to be granted based on nomination basis to Government run Co-operative Societies/ Organizations.
- 1.13. **Area of Operation** of LPG distributorship means an area consisting of locality/ village/cluster of villages/town or city in which the respective LPG distributor is allowed to service LPG customers. Area of operation is specific to a LPG Distributor and is determined by the concerned OMC.
- 1.14. **Ceiling Limit** means maximum refill sale per month of domestic LPG cylinders defined for the market in which the LPG Distributor is located.

- 1.15. **District Level Committee (DLC)** means a committee responsible for identifying locations for setting up new LPG Distributors in that district and for any other matter regarding Selection of LPG Distributors in that district. District Level Committee consists of one officer each from BPC, HPC and IOC.
- 1.16. **State Level Committee** means a committee consisting of 3 Officers, one officer each from BPC, HPC and IOC responsible for LPG Marketing in the concerned State. The coordinator of the Committee shall be the concerned officer from LPG function of the Company to which State Level Coordinator (SLC) belongs to.
- 1.17. **HQ Level Working Committee:** A committee consisting of 3 officers, one officer each from BPC, HPC and IOC responsible for LPG Selection matters at Head Quarter / Head office of the Oil Marketing Company under the coordination of IOC.
- 1.18. **Field Verification of Credentials (FVC)** means verification of facts with the details provided by the applicant in the application form, by a committee of OMC official. As a part of the FVC process, the committee will also examine the suitability of land for Godown and showroom as per Guideline.
- 1.19. **Approach Road** up to LPG Godown means motorable road (public or private road connecting to the public road) of minimum 2.5 meter width suitable for movement LPG Cylinder Truck up to the LPG Godown.
- 1.20. **Multiple Dealership/Distributorship norms** means the applicant or any other member of 'family unit' should not hold a dealership/LPG distributorship/ or Letter of Intent (LOI) for a dealership/LPG distributorship of any type of a PSU Oil Marketing Company i.e. only one Retail Outlet / SKO-LDO dealership / LPG distributorship of a PSU Oil Marketing Company will be allowed to a 'Family Unit'.
- 1.21. **'Family Unit' for Multiple Dealership / Distributorship norm** means the following:
- 1.21.1 In case of married person/ applicant, 'Family Unit' will consist of individual concerned, his/her Spouse and their unmarried son(s)/daughter(s).
  - 1.21.2 In case of unmarried person/ applicant, 'Family Unit' will consist of individual concerned, his/her parents and his/her unmarried brother(s) and unmarried sister(s).
  - 1.21.3 In case of divorcee, 'Family Unit' will consist of individual concerned, unmarried son(s)/unmarried daughter(s) whose custody is given to him/her.
  - 1.21.4 In case of widow/widower, 'Family Unit' will consist of individual concerned, unmarried son(s)/unmarried daughter(s).

1.22. **'Family member of an employee of Oil Marketing Companies'** means :

The wife or husband as the case may be of the employee, whether residing with him / her or not, but does not include a wife or husband as the case may be separated from the employee by a decree or order of a competent Court. Sons or daughters or step-sons or step-daughters of the employee and wholly dependent on him, but does not include a child or step-child who is no longer in any way dependent on the employee or of whose custody the employee has been deprived by or under any law.

Any other person related whether by blood or marriage to the employee or to such employee's wife or husband and wholly dependent on such employee.

1.23. **'Ownership' or 'Own'** for godown / showroom for Sheheri Vitrak, Rurban Vitrak, Gramin Vitrak and Durgam Kshetriya Vitrak Type of Distributorship means having :

- a. Ownership title of the property

Or

Registered lease deed having minimum 15 yrs of valid lease period commencing on any day from the date of advertisement up to the last date of submission of application as specified either in the advertisement or corrigendum (if any).

- b. Additionally, applicants having registered lease deed commencing on any date prior to the date of advertisement will also be considered provided the lease is valid for a minimum period of 15 years from the date of advertisement.

- c. The applicant should have ownership as defined under the term 'Own' above in the name of applicant / member of "Family Unit" (as defined in multiple dealership / distributorship norm of eligibility criteria)/parents (includes Step Father/Step Mother), grandparents (both maternal and paternal), Brother/Sister (including Step Brother & Step Sister), Son/Daughter (including Step Son/Step Daughter), Son-in-law/Daughter in-law of the applicant or the spouse (in case of married applicant) as on last date for submission of application as specified either in the advertisement or corrigendum (if any). In case of ownership/co-ownership by family member(s) as given above, consent in the form of a declaration from the family member(s) will be required.

- d. In case the share of land in the jointly owned property by the applicant / member of 'Family Unit' as defined in multiple dealership / distributorship norm)/parents & grandparents (both maternal and paternal) of the applicant or the spouse with any other person(s) meets the requirement of land including the dimensions required, then that land for godown/showroom will qualify for eligibility as 'own' land subject to submission of 'No Objection Certificate' in the form of declaration from other owner(s).

1.24. 'Dependent' means the person who is defined as 'dependent family member' under Central Government Health Scheme (CGHS).

## 2. IDENTIFICATION OF LOCATIONS

Locations for setting up of LPG Distributorship are identified based on available refill sale potential, which can sustain economically viable operation of an LPG distributorship. Oil Marketing Companies (OMCs) aim at covering all the areas of Country so that every household in the country has access to LPG. The setting up of LPG distributorships at the identified locations is a business proposition that has risk and does not guarantee any assured returns or profits.

Feasibility study for setting up of new LPG distributorships will be based on refill sale potential. Refill sale potential for setting up of LPG distributorship is based on the number of households, per capita consumption, LPG coverage and the existing/ proposed PNG connections if any.

## 3. RESERVATION

The percentage reservation for various categories in all the States except Arunachal Pradesh, Meghalaya, Nagaland and Mizoram will be as under: -

A	Open Category (O)	50.5%
B	Schedule Castes / Scheduled Tribes (SC/ST)	22.5%
C	Other Backward Classes (OBC)	27.0%

In each of the above categories, there will be sub-categories as under:-

Sub-Category	Reservation Categories (in %)			
	SC/ST	OBC	Open	Total
Government Personnel category (GP) consisting of Defence, Central/State Govt and Central/State PSU employees / Ex-servicemen / Special forces	2	2	4	8
Physically Handicapped Personnel (PH)/ Divyang	1	1	1	3
Combined Category (CC) consisting of Outstanding Sports Persons (OSP), Freedom Fighter (FF)	0	0	1	1
Women	7	9	17	33
Unreserved - Any person from the respective category	12.5	15	27.5	55
<b>Total</b>	<b>22.5</b>	<b>27</b>	<b>50.5</b>	<b>100</b>

The reservation under respective categories will be SC/ST (GP)-2%, SC/ST (PH)-1%, SC/ST (W)-7%, SC/ST-12.5%, OBC (GP)-2%, OBC (PH)-1%, OBC (W)-9%, OBC-15%, Open (GP) - 4%, Open (PH)-1% Open (CC)-1%, Open (W)-17%, Open-27.5%.

The percentage reservation for various categories in North Eastern States of Arunachal Pradesh, Meghalaya, Nagaland and Mizoram shall be as under:

State	Percentage of reservation for all four types of LPG Distributors				Total
	ST	ST(W)	Open	Open(W)	
Arunachal Pradesh	49	21	21	9	100
Meghalaya	56	24	14	6	100
Nagaland	56	24	14	6	100
Mizoram	63	27	7	3	100

#### 4. ROSTERING OF LOCATIONS AS PER 200-POINT ROSTER

In order to ensure that the percentage reservations as above are maintained, locations identified for setting up LPG Distributorships under various categories (in all the States except Arunachal Pradesh, Meghalaya, Nagaland and Mizoram) will be placed under different categories of reservation as per '200 point Roster' for each State for various categories on Industry basis (IOCL, BPCL and HPCL together) so as to ensure the percentage reservation as envisaged for each category is achieved.

In the '200-point Roster', allocation of a reservation category against a serial number will be done such that when 200 numbers of LPG Distributors are planned, the percentage of each category (of reservation) is achieved. Continuity will be maintained in the '200 point roster' and once the 200 roster serial numbers are completed, a new roster will be started from roster serial number 1.

The "200 point roster" will be followed on rolling basis. Within a State, the distribution of locations reserved for SC or ST will be based on the ratio of population of SC & ST of the State.

There will be three '200' point rosters maintained on All India basis at Head Office of IOCL - one combined roster for "Sheheri Vitrak and Rurban Vitrak" and one each for Gramin Vitrak and Durgam Kshetriya Vitrak.

For the States of Arunachal Pradesh, Meghalaya, Nagaland and Mizoram, 100 point roster shall be prepared and same will be maintained at Indian Oil Corporation AOD State Office, Guwahati. The roster serial number under Unified Guidelines for Selection of Distributors will start from serial number 1.

#### 5. DE-CATEGORISATION

In case, for a location under reserved category, there is no applicant found eligible, de-categorisation of the location will be done following the norms as under:

5.1 For reserved sub-category locations "GP" (Defence Personnel/Paramilitary Forces/Ex-servicemen/Special Forces/Employees of Central/State Governments/Central/State

Government PSU), "PH" and "CC (OSP/FF)" and Women, in case of 'Nil' response to the advertisement or no eligible candidate is found or no candidate qualifies or no selected candidate is able to commission the LPG Distributorship, then that location would be re-advertised in the respective category without sub-category i.e. locations will be advertised as only SC/ST, OBC or Open category as applicable.

5.2 For the location advertised /re-advertised under 'SC/ST' or 'OBC' category, if there is 'Nil' response or no eligible candidate is found or no candidate qualifies or no selected candidate is able to commission the LPG Distributorship, then that location would be re-advertised under 'Open' category.

5.3 However, it will be ensured that the reservation is maintained on overall basis by respective Oil Marketing Companies while de-categorization of the locations from earlier roster by converting corresponding number of LPG Distributorship locations under 'Open' category from the new roster to 'SC/ST' and 'OBC' category. In other words, shortfall in percentage SC/ST and OBC category will be made good in the future Marketing Plans so as to ensure the percentage for SC/ST of 22.5%, OBC of 27% and Open of 50.5% are maintained.

5.4 With regard to reserved sub categories 'GP','PH','CC' and 'Women', reservation percentages will be maintained only at the time of initial categorisation. In other words, once the category of such locations is changed after the first advertisement if no candidate applies or no eligible candidate is found or no candidate qualifies or no selected candidate is able to commission the LPG Distributorship, no adjustment in the roster would be made under the future marketing plans.

## **6. MODE OF SELECTION**

Selection for LPG Distributorship will be done by inviting applications through advertisement under appropriate category in newspapers.

Selection of LPG distributor for an advertised location will be done by draw of lots from all the eligible applicants for that location.

## **7. ELIGIBILITY CRITERIA FOR APPLICANTS**

All applicants fulfilling the eligibility criteria will become eligible for the draw for selection of the LPG distributorship. The eligibility Criteria is as under: -

### **7.1 Common Eligibility Criteria for Sheheri Vitrak, Rurban Vitrak, Gramin Vitrak and Durgam Kshetriya Vitrak type of LPG Distributorships**

A. The applicant eligible for selection should:



1. Be an Indian citizen and be a resident of India.
2. Have passed minimum Xth standard examination or equivalent from a recognized Board. The criterion of educational qualification is not applicable for applicant belonging to Freedom Fighter (FF) category.
3. Be not less than 21 years and not more than 60 years in age as on the date of publication of the advertisement. There is no age restriction for applicants applying for locations reserved under Freedom Fighter (FF) category.
4. Not be a 'family member of an employee of Oil Marketing Companies' as on date of application.
5. Fulfill Multiple Dealership/Distributorship norms, which means the applicant or any other member of 'family unit' should not hold a Dealership/LPG Distributorship or Letter of Intent (LOI) for a Dealership/LPG distributorship of any PSU Oil Marketing Company. The Multiple Dealership/Distributorship norms will not be applicable to applicants who are existing SKO dealers of OMCs and operating below an average allocation of 75 KL of SKO per month during the immediate preceding 12 months prior to the month of advertisement.
6. If selected, the SKO dealers of OMCs will have to surrender their Kerosene dealership prior to issuance of letter of appointment. The SKO dealer applying for Sheheri, Rurban, Gramin and Durgam Kshetriya Vitrak will have to submit documentary proof of Kerosene allocation issued by the allocating authority of the State Govt./Divisional/Territory/Regional Office of the Oil Marketing Company, as the case may be.
7. The Multiple Dealership/Distributorship norms will not be applicable to NDNE (Non Domestic Non Essential) Retailers/LPG Distributors appointed by PSU Oil Marketing Companies for exclusive marketing of NDNE (Non Domestic Non Essential) LPG cylinders. (In case of selection of any applicant who holds NDNE retailership(s) /distributorship(s) or Letter of Intent (LOI) of NDNE retailership(s) /distributorship(s) of any OMC in his/her name or any member of the 'Family Unit' will have to surrender their NDNE retailership(s) / Distributorship(s) or LOI prior to issuance of the Letter of Appointment for LPG distributorship).
8. Be physically and mentally sound to be able to run the business. That is, the applicant should not be totally paralyzed or mentally unsound or who suffers from insanity and is deprived of cognitive faculties.
9. Should not be totally blind.

10. Neither have been convicted nor charges been framed by any Court of Law for any criminal offence involving moral turpitude/ economic offences.
11. Not be a signatory to distributorship/dealerships agreement, terminated on account of proven cases of malpractice/adulteration of any Oil Marketing Company or not having resigned from Sole proprietorship of any dealership/distributorship of any PSU Oil Marketing Company in order to transfer the dealership/distributorship in favor of any of his/her family member(s) as defined in the Dealer/LPG Distributor Selection Guidelines.
12. 'Own' a plot of land of minimum dimensions specified below for construction of LPG godown Or 'Own' a ready LPG cylinder storage godown as on the last date for submission of application as specified either in the advertisement or corrigendum (if any).
  - i. Capacity : The minimum capacity of the LPG godown (approved and licensed by Chief Controller of Explosives of Petroleum and Explosives Safety Organization (PESO)) required for storage of LPG in cylinders is given below :
    - a. Sheheri Vitrak and Rurban Vitrak will require a storage Godown of minimum capacity of 8000 Kg LPG.
    - b. Gramin Vitrak will require a storage godown of minimum capacity of 5000 Kg LPG.
    - c. Durgam Kshetriya Vitrak will require a storage godown of minimum capacity of 3000 Kg LPG.
  - ii. Dimension of Land : The minimum Dimensions of land and the location of Godown land is given below:
    - a. For Sheheri Vitrak and Rurban Vitrak, the candidate should 'Own' a plot of land of minimum dimensions 25 Metre x 30 Metre in the city or within 15 km from the outer limits of municipal/town/village limits of the location offered in the same State.
    - b. Selected candidate for Sheheri Vitrak & Rurban Vitrak locations falling under 'X' and 'Y' category Metro Cities/Cities/State will be allowed to construct the godown in and within 15 km outside the Municipal limit of the town/City of the advertised location. Any financial implication incurred by the LPG Distributor for moving LPG cylinders in and out of the City/town will be borne by the Distributor who sets up his godown outside the Municipal Limit, if any of the movement is on Inter-state basis.

- c. For Gramin Vitrak the candidate should 'Own' a plot of land of minimum dimensions 21 Metre x 26 Metre within 15 km from the advertised location.
  - d. For Durgam Kshetriya Vitrak the candidate should 'Own' a plot of land of minimum dimensions 15 Metre x 16 Metre within the village/cluster of village limits as per the advertised location.
- B. In case of any dispute/ambiguity regarding location of land vis-a-vis advertised specifications, the matter will be referred to District Revenue authorities whose decision will be final.
- C. The land for construction of godown should be plain, in one contiguous plot, free from live overhead power transmission or telephone lines. Canals / Drainage / Nallahs should not be passing through the plot.
- D. It will be the responsibility of the selected candidate to observe and perform the provisions of all rules and regulations, Government or municipal or local or Acts, Laws, Regulations, Bye-Laws as may be enforced from time to time with respect to land for construction of LPG Godown. In case there is any reference relating to violation of any of the statutory provisions, it will be referred to the concerned authority for examination and for appropriate action.
- E. The selected candidate has to ensure that an all weather motorable approach road (public road or private road connecting to the public road) of minimum 2.5 metre width is made available to provide access of LPG Cylinder Truck to the offered land for godown/LPG Godown. In case of private road connecting to the Public Road, the same should be either Owned/Registered lease or having a Right of Way from the owner(s) of the land. Wherever the State Government stipulates an approach road of wider dimensions the same should be made available by the applicant.
- F. An undertaking has to be provided by the selected candidate at the time of acceptance of Letter Of Intent (LOI) that the Approach Road as specified will be provided within the timeframe as mentioned in LOI. The Approach Road will be verified for its suitability before the issuance of Letter of Appointment (LOA). It would be responsibility of the selected candidate to ensure that the LPG cylinder truck is allowed unhindered access at all times through this approach road to the LPG Godown upon commissioning of the LPG distributorship. In the event of failure of selected candidate to make available the approach road, the LOI is liable to be cancelled along with forfeiture of the amount deposited before the FVC (10% of the applicable security deposit). OMCs will not be held responsible for any investment made by candidate in the construction of the godown without having a proper approach road.

- G. In case there are any state specific requirements/norms applicable for the LPG Godown/ approach road, then the same will be applicable for the respective Distributorship locations including revised minimum dimensions of plot of land/width of the approach road as specified in the Advertisement of that respective State.
- In states where conversion from agriculture land to non agriculture (NA) land takes long time and such cases are pending, because of which commissioning in some States is getting affected, indemnity will be taken from the selected candidate that he/she will be getting the NA conversion done and Distributorship will be commissioned.

## **7.2 Specific Eligibility Criteria for Showroom**

- A. Showroom for Sheheri Vitrak, Rurban Vitrak and Gramin Vitraks: The applicant should 'own' a suitable shop of minimum size 3 metre by 4.5 metre in outer dimension or a plot of land for construction of showroom of minimum size 3 metre by 4.5 metre as on the last date for submission of application as specified either in the advertisement or corrigendum (if any) at the advertised location i.e. within the municipal/town/village limits of the place which is mentioned under the column of 'location' in the advertisement.
- B. In case locality is also specified under the column of 'location' in the advertisement, the candidate should own a suitable shop of minimum size 3 metre by 4.5 metre in outer dimension or a plot of land for construction of showroom of minimum size 3 metre by 4.5 metre as on the last date for submission of application as specified either in the advertisement or corrigendum (if any) as per the standard layout in the said 'locality'. It should be easily accessible to general public through a suitable approach road.
- C. In case an applicant has more than one shop of minimum size 3 metre by 4.5 metre in outer dimension or a plot of land for construction of showroom of minimum size 3 metre by 4.5 metre as on the last date for submission of application as specified either in the advertisement or corrigendum (if any) at the advertised location or locality as specified under the column of 'location' in the advertisement, the details of the same can also be provided in the application.
- D. The applicant should have ownership as defined under the term 'Own' above in the name of applicant / member of "Family Unit" (as defined in multiple dealership / distributorship norm of eligibility criteria)/ parents (includes Step Father/Step Mother), grandparents (both maternal and paternal), Brother/Sister (including Step Brother & Step Sister), Son/Daughter (including Step Son/Step Daughter), Son-in-law/Daughter in-law of the applicant or the spouse (in case of married applicant) as on last date for submission of application as specified either in the advertisement or

corrigendum (if any). In case of ownership/co-ownership by family member(s) as given above, consent in the form of a declaration from the family member(s) will be required.

- E. Applicants having registered lease deed commencing on any date prior to the date of advertisement will also be considered provided the lease is valid for a minimum period of 15 years from the date of advertisement.
- F. The same piece of land for godown or same piece of land for showroom cannot be offered by more than one applicant for a particular location against the advertisement. In case it is found at any stage that the same piece of land for godown or same piece of land for showroom has been offered by more than one applicant for the same location of the advertisement, then all such applications would be rejected or if selection has been done, then the same would be cancelled.
- G. In case if the offered land for godown and/or offered land for showroom by the selected candidate which is shown in the application is found not meeting the eligibility conditions/requirements as stipulated in the advertisement/brochure/application, then the selected candidate can offer an alternate land which is owned by the applicant/member of the 'Family Unit'/ parents (includes Step Father/Step Mother), grandparents (both maternal and paternal), Brother/Sister (including Step Brother & Step Sister), Son/Daughter (including Step Son/Step Daughter), Son-in-law/Daughter in-law of the applicant or the spouse (in the case of married applicant) as on the last date for submission of application as specified either in the advertisement or corrigendum if any.
- H. Selected candidate who have been issued LOI after meeting all specifications for the land as laid down in the advertisement, then the LOI holder can offer an alternate/new land for construction of godown / Showroom, in the advertised location.

### **7.3 Specific Eligibility Criteria For Different Categories**

#### **A. Specific Eligibility Criteria For Main Reservation Categories for all types of Distributorships**

##### **1. Open Category (Open)**

Applicants fulfilling common eligibility criteria can apply under 'Open' category.

##### **2. Open Women Category - Open (W)**

Woman applicants fulfilling common eligibility criteria can apply under 'Open' category

**3. Scheduled Caste/ Scheduled Tribe Category (SC/ST) and Scheduled Caste/ Scheduled Tribe Woman Category SC/ST(W)**

The applicants belonging to the Castes/Tribes recognised as Scheduled Castes/ Scheduled Tribes (SC/ST) under the Constitution of India are eligible to apply.

These applicants will be required to submit along with application form, a certificate in prescribed format, issued by the competent authority notified by the Government of India certifying that the candidate belongs to Scheduled Caste /Scheduled Tribe.

The selected candidate, who belongs to SC/ST category would be required to submit within 30 days from the date of declaration of draw result, the Original Caste Validity Certificate granted by the competent authority of the respective state, wherever applicable. In case of single eligible candidate, the time period of 30 days for submission of original Caste Validity Certificate would start from the date when the letter is sent to the selected candidate intimating him/her to deposit the 10% of the applicable security deposit.

**4. Other Backward Classes (OBC) and Other Backward Classes Woman Category OBC(W)**

Applicants belonging to 'Other Backward Classes' recognised as OBC by Government of India (Central Government) under the Constitution of India will be eligible to apply under this category.

Such applicants will be required to submit along with application a certificate issued by the competent authority notified by the Government of India (GOI) certifying that the candidate belongs to Other Backward Classes recognized as OBC by a Resolution/Gazette Notification issued by GOI (Central Government). Along with the OBC certificate, the candidate also has to submit self attested copy of the undertaking that he/she belongs to the OBC category and fulfils the non-creamy layer status. The last date for submission of application mentioned in the notice of advertisement or corrigendum (if any) will be treated as the date of reckoning for OBC status of the candidate and also for determining that the candidate does not fall in the creamy layer.

**B. Specific Eligibility Criteria for different Sub-categories:**

**1. Government Personnel (GP)**

Applicants eligible under 'SC/ST', 'OBC' and 'Open' category as specified above can apply for 'Sheheri Vitrak, Rurban Vitrak, Gramin Vitrak and Durgam Kshetriya Vitrak

(DKV) type of LPG distributorship under respective “GP’ sub-category on fulfilling the following conditions:

## **2. Defence Personnel**

Defence Personnel means personnel of armed forces (viz. Army, Navy and Air Force) and will cover widows / dependents of those who died in war, war disabled, disabled during performance of official duty, widows / dependent of those members of Armed Forces who died in harness due to attributable causes and disabled in peace due to attributable causes and ex-servicemen.

In case of widows / dependents of those who died in war, only one member (either widow or dependent) of the deceased Defence Personnel can claim reservation.

Candidates applying under the category belonging to Defence (Army, Navy and Air Force) should submit in original at the time of verification, the Eligibility Certificate issued from the Directorate General of Resettlement (DGR), Ministry of Defence and Govt. of India sponsoring the candidate for the LPG Distributorship for which he/she has applied. Certificate of eligibility issued by DGR for one LPG Distributorship location is not valid for another LPG Distributorship location and, therefore, a candidate can be considered to be eligible only if he/she has been sponsored for the particular location with reference to the current advertisement.

## **3. Central Para Military Forces(CPF) / Special Forces (SF)**

Central Para Military Forces / Special Forces includes personnel disabled while performing official duty; widows / dependents of Central Para Military Forces/Special Forces personnel who died while on official duty (only one of either widow(s)/dependent(s) of the eligible deceased Central Para Military Forces/Special Forces personnel can claim reservation, as applicable).

Applicants under this category should submit alongwith the filled in application form, a certificate for Central Para military / Special Forces from the Head of Office or an officer not below the rank of Under Secretary to the Government on official Letter-Head of the Organization / Government Office issuing the Certificate as per the format.

## **4. Government Personnel & Central/State Government Public Sector Undertakings**

The personnel serving in different Departments of Central/State Governments and Public Sector undertakings of Central/State Government who are incapacitated or disabled while performing their duties will be eligible under this category. In case of

death of the employee while performing duties, their widows/ dependants will be eligible to apply under this category (only one of either widow(s)/dependent(s) of the eligible deceased employee can claim reservation, as applicable).

Applicants under this category should attach a copy of relevant certificate from the concerned Organization/Govt. Department signed by the Head of the Office or an Officer not below the rank of Under Secretary to the Government.

#### **5. Divyang/Physically Handicapped (PH) Category**

Applicants eligible under 'SC/ST', 'OBC' and 'Open' category as specified above can apply for Sheheri Vitrak, Rurban Vitrak, Gramin Vitrak and DKV type of LPG distributorship under respective 'PH' sub-category on fulfilling the following conditions:

- i. Candidate fulfils criteria covered under the target group as defined under Section 2 (t) of The Persons with Disabilities (Equal Opportunities, Protection of Right and Full Participation) Act 1995 (also referred to as PwD Act, 1995) and obtains a disability certificate from competent authority as prescribed in the Notification dated 30.12.2009 issued by Ministry of Social Justice and Empowerment.
- ii. Deaf, Dumb and Blind persons with minimum degree of 40% disability and not totally blind.

Totally blind persons will not be eligible.

Applicants under this category should attach a certificate (as per the standard format given in the application) issued by a Medical Board duly constituted by the Central / State Government as per the Gazette of India Extraordinary New Delhi, No 154 dated June 13, 2001 on Guidelines for evaluation of various disabilities and procedure for certification.

#### **6. Combined Category (CC)**

Applicants eligible under 'SC/ST', 'OBC' and 'Open' category as specified above can apply for Sheheri Vitrak, Rurban Vitrak, Gramin and 'Durgam Kshetriya Vitrak' type of LPG distributorship under respective 'CC' sub-category on fulfilling the following conditions:

##### **i. Outstanding Sports Persons Category (OSP)**

The following persons will be eligible to apply in this category:



- a. Arjuna / Khel Ratna Awardees.
- b. Winners of Medals at Olympics/ Asian /Commonwealth Games and Recognised World Championships.
- c. National Champions - first position holders in Senior Category (both Men & Women) under the Recognised National Championships.

Applicants under this category should produce a certificate from the Recognised National Federation Organising National Championships (as recognised by Department of Youth Affairs and Sports, Govt. of India) or from the Dept of Youth Affairs and Sports, Govt. of India.

**ii. Freedom Fighters (FF)**

Freedom Fighter (FF) means the person who is a holder of Tamrapatra and receiving pension sanctioned by the Ministry of Home Affairs, Government of India.

Applicants for Distributorships reserved under this category should attach a certificate or Tamrapatra or an attested copy of the Pension Order issued by the Accountant General in pursuance of the sanction letter from the Ministry of Home Affairs, Govt. of India of their having been Freedom Fighters.

The criteria of Educational Qualification and age as mentioned under common eligibility criteria will not be applicable for FF category.

**C. Specific Eligibility Criteria for existing SKO Dealers of OMCs:**

Existing SKO dealers of OMCs who are eligible under categories as specified above can apply for all types of LPG Distributorship on fulfilling the following conditions:

1. Existing SKO dealers of OMCs operating as a sole proprietor having an average allocation of less than 75 KL of SKO per month during the immediate preceding 12 months prior to the month of advertisement will be eligible to apply for LPG Distributorship. The applicants have to submit along with the application the proof of such allocation from allocating authority of the State Govt./Divisional/Territory/Regional Office of the PSU Oil Marketing Company, as the case may be. Multiple Dealership/Distributorship norms will not be applicable for such applicants.
2. SKO Dealers operating as a Partnership Firm or Society or Company are not eligible to apply.

3. In case of allotment, the SKO dealer will have to surrender their SKO dealership prior to issuance of letter of appointment for LPG Distributorship.
4. To be eligible to apply for any type of LPG Distributorship, the SKO dealer should not have been penalized for violation of Marketing Discipline Guidelines within last 5 years preceding the date of advertisement or there should not be any proceedings pending against the dealership under Marketing Discipline Guidelines/Dealership Agreement, Kerosene Control Order or ESMA.
5. Common eligibility criteria as specified above will also be applicable to SKO dealers.

## **8. APPLICATION**

The Individual, who fulfills the eligibility criteria for Sheheri Vitrak should submit online application for LPG Distributorship.

The Individual, who fulfills the eligibility criteria for Rurban, Gramin Vitrak and Durgam Kshetriya Vitrak, should submit application for LPG Distributorship in the prescribed format. The application form will be available on the websites of the OMCs viz., [www.iocl.com](http://www.iocl.com), [www.ebharatgas.com](http://www.ebharatgas.com), [www.bharatpetroleum.in](http://www.bharatpetroleum.in) and [www.hindustanpetroleum.com](http://www.hindustanpetroleum.com) and can be downloaded.

## **9. NON REFUNDABLE APPLICATION FEE**

For Sheheri Vitrak and Rurban Vitrak, applicants should submit non-refundable application fee of Rs. 10,000/- (Rupees Ten thousand only) for Open category, Rs. 5,000/- (Rupees five thousand only) for OBC Category and Rs. 3,000/- (Rupees Three Thousand) for SC/ST Category through online payment.

For the Gramin Vitrak and Durgam Kshetriya Vitrak, applicants should submit the application alongwith a non-refundable application fee of Rs. 8,000/- (Rupees Eight Thousand only) for Open category, Rs. 4,000/- (Rupees Four Thousand only) for OBC Category and Rs. 2,500/- (Rupees Two Thousand and five Hundred) for SC/ST Category in the form of a Demand draft from any bank.

For the sake of clarification it is added that if a SC/ST candidate applies for location under 'open' category, the candidate can pay the application fee applicable for SC/ST candidate, on submission of SC/ST certificate. However, if the same candidate gets selected, he/she will be liable to pay the security deposit, as applicable to open category.

## **10. CUT OFF DATE FOR RECEIPT OF APPLICATION**

Applications cannot be submitted after the specified closing date and further, no extension of time will be entertained.

## **11. ONE APPLICATION PER APPLICANT FOR A LOCATION**

Applicants should submit only one application for one location. In case more than one application is received from an individual, all the applications would be clubbed together and treated as one application. In such cases, application fees received against all other applications would be forfeited.

## **12. CANDIDATE APPLYING FOR MULTIPLE LOCATIONS**

A candidate can apply for more than one location. However, in such cases, he/she will have to submit separate application for each location. Each application should be accompanied with the requisite application fee.

## **13. PROCEDURE FOR RECEIPT OF APPLICATION**

Applicants for Sheheri locations will have to make application on-line in portals to be communicated in the Advertisement.

Applicants for Rurban, Gramin and Durgam Kshetriya Vitrak locations will have to submit applications in the prescribed format, in sealed envelope only. Acknowledgement for applications received will be sent to the applicants.

In case deficiencies are found in the application, a letter would be sent to the applicant to rectify the deficiencies within a specified period of time.

The following deficiencies will be treated as Non-rectifiable:

- a. Age as on the date of application is less than 21 completed years or more than 60 years except applicants applying under FF category.
- b. Does not belong to the category for which the concerned distributorship location is reserved.
- c. Does not possess the minimum requisite qualification as per the eligibility criteria except for FF.
- d. Not an Indian Citizen.
- e. Not a resident of India

- f. Does not have land for Godown/Showroom as per the eligibility criteria
- g. Applicant is a Family member of an employee of PSU Oil Marketing Companies.
- h. Applicant not fulfilling multiple dealership/distributorship norms as per the eligibility criteria
- i. Does not meet the eligibility criteria prescribed for the applicant applying under category of 'existing SKO dealers of OMCs'.

Further, in cases where candidate has been declared ineligible on account of deficiencies falling under non-rectifiable category as listed above and if a representation is received from the candidate within 21 days period from the date of rejection letter, then the same will be examined for a suitable decision only in those cases wherein clarification/supporting documents are specifically provided for the details which have been filled in the application form by the applicant for a particular parameter.

#### **14. DRAW OF LOTS**

- 14.1 All the applicants will be individually informed about the status of their application. The list of ineligible applicants & applicants eligible for draw of lot will be made available on the notice board of the concerned office of the PSU Oil Marketing Company as well as on the website of the concerned PSU Oil Marketing Company. Selection will be done by draw of lots out of all eligible applicants.
- 14.2 In case, complaints are received about any applicant with regard to their eligibility before the draw, the complaint would be dealt as mentioned below in 'Grievance /Complaint Redressal System'.
- 14.3 In case for a location there is only one eligible applicant, no draw is required. The lone eligible applicant would be declared as selected. The result would be displayed and hosted on the website. Field Verification of Credentials (FVC) would be conducted in line with procedure.
- 14.4 Draw of Lots for Rurban, Gramin and Durgam Kshetriya Vitrak locations, will be held manually, whereas for Sheheri Vitrak locations the draw of lots will be conducted through random number generation on the web portal.
- 14.5 Draw of Lots for Durgam Kshetriya Vitrak will be conducted first out of all eligible applicants who are residents of the Gram Panchayat of the advertised location. If no candidate is found eligible from the Gram Panchayat of the advertised location or if eligible candidates from the Gram Panchayat of the advertised location are exhausted, then the draw will be conducted from the eligible candidates residing in the Revenue Sub Division of the advertised location. If none of the above, yields an eligible candidate, then

draw of lots will be conducted from amongst the balance eligible candidates for the advertised location, if any.

- 14.6 In case of locations reserved under Government Personnel categories viz., 'SC/ST(GP), OBC(GP) and Open(GP)', four lists of eligible candidates will be prepared based on the applicant's classification as mentioned below:

*List 1: Widows / Dependents of Armed Forces (viz., Army, Navy, Air force) or Central Para Military Forces / Central or State Special Forces, those died while performing their duties.*

*List 2: Disabled personnel of Armed Forces (viz., Army, Navy, Air force) or Central Para Military Forces / Central or State Special Forces while performing their duties.*

*List 3: Ex-service man who has served for the Armed Forces.*

*List 4: Widows/Dependents of personnel of Central/State Governments and Public Sector undertakings who died while performing their duties and such disabled personnel of Central/State Governments and Public Sector undertakings causes attributable to performance of duties.*

Draw of Lots will be conducted from amongst the eligible candidates of advertised location in List 1, if any. If there is no eligible candidate in List 1, then draw of lots will be conducted from eligible candidates who fall under List 2, and so on till all four Lists are exhausted for the advertised location.

## **15. PROCEDURE FOR DRAW OF LOTS**

- 15.1 In case of two or more eligible applicants, draw for selection of LPG Distributor would be conducted. All the eligible applicants would be communicated by letter through speed post/Regd. Post AD and through e-mail/SMS (if details are provided in the application) to report for a draw of lots for selection of LPG Distributor at a specified place on specified date and time. The notice with regard to the draw would be published before the date of draw in the same newspapers in which the advertisement for appointment of LPG Distributor was initially published.
- 15.2 Attendance of all the applicants who have reported for draw would be taken after verifying their identity through submission of proof of identity (any one of the documents - Passport, Driving Licence, Voters' Identity Card, PAN Card, Aadhaar Card issued by UIDAI or NREGA Job Card). Applicants should sign the attendance sheet. Two officials of the company will conduct the draw in the presence of the candidates and the invited guest.

- 15.3 Serial Number of the application along with name of applicant would be printed on a “paper token” and officers nominated for the draw would sign on each “paper token” with date of draw.
- 15.4 Folded paper tokens of all eligible applicants will be put in an empty box. The invited guest would be requested to draw out one ‘paper token’, unfold and show it to the video camera for it to capture the serial number and name of the applicant mentioned in the ‘paper token’. The application serial number and name of the candidate would be announced and declared as selected candidate for LPG distributorship for that location.
- 15.5 The entire proceedings of the Draw of Lots will be video graphed.
- 15.6 The result of the draw would be displayed on the notice board of the venue immediately and at Company office. It would also be hosted on the website of the Company within 3 days from the date of draw.
- 15.7 Successful candidate in the Draw of Lots, will have to submit a Demand Draft of value equivalent to 10% of the security deposit, as applicable (Refer table given below) to different type and category of LPG Distributorships, within 7 working days, from the date of receipt of letter issued by the concerned office of the OMC in this regard.

***Figs in Rs.***

<b>Type of Distributorship</b>	<b>Open</b>	<b>OBC</b>	<b>SC / ST</b>
Sheheri Vitrak/ Rurban Vitrak	50,000	40,000	30,000
Gramin Vitrak / Durgam Kshetriya Vitrak	40,000	30,000	20,000

In case the location is advertised for Sheheri Vitrak the selected candidate will have the option to pay the amount through online platform.

The candidature of the selected candidate will be cancelled in case he/she fails to deposit the above amount within 7 working days from the date of Draw of Lots.

## **16. FIELD VERIFICATION OF CREDENTIALS (FVC)**

- 16.1 Verification of the information given in the application by the applicant with the original documents and with the issuing authorities wherever required is called Field Verification of Credentials (FVC).
- 16.2 Field verification (FVC) will be carried out for the selected candidate as per laid down procedure. If in the FVC, the information given in the application by the applicant is found to be correct, Letter of Intent (LOI) will be issued with the approval of competent authority.

- 16.3 If in the FVC it is found that information given in the application is at variance with the original documents and that information affects the eligibility of the candidate, then a letter would be sent by Registered Post AD / Speed Post pointing out the discrepancy. If it is established that false/incorrect/misrepresented information has been given in the application, candidature of selected candidate will be cancelled and the amount remitted by the selected candidate before FVC will be forfeited.
- 16.4 During the FVC process, in case land mentioned by the applicant for godown/showroom in his application is found not meeting the eligibility conditions/requirements as stipulated in the advertisement/brochure/application form and if the applicant is having any alternate land in his name / member (s) of the family unit as per the definition of family unit for land of the applicant with date of registration on or before the last date for submission of application as specified either in the advertisement or corrigendum (if any), the same can be considered. However, the same if considered has to be duly verified for its suitability during the FVC. In case at the time of FVC, it is found that the all weather motorable road providing access to the Godown land is not available or if the candidate expresses his / her inability to ever provide the same, the candidate can offer an alternate land meeting the eligibility criteria. Such alternate land if considered has to be duly verified during the FVC for its suitability for providing LPG godown and showroom facility as mentioned hereinabove.
- 16.5 In case more than one application is made by a single candidate with different lands or if the applicant has offered more than one plot of land in a single application, then option may be given to the candidate to offer the most suitable plot of land for which FVC will be carried out. The offered plot of land, if found suitable during verification, would be recommended for construction of LPG godown/showroom.

## **17. LETTER OF INTENT**

The candidate select, after receipt of LOI should fulfill the conditions specified in the LOI within a period of four months from the date of LOI or the time given by the OMC, failing which the LOI is liable to be withdrawn along with forfeiture of the amount remitted by the selected candidate before FVC.

## **18. CONDITION FOR RE-DRAW**

Re-Draw for selection would be held from the remaining eligible applicants in the following cases:

- 18.1 Rejection of selected candidate due to findings in the field verification.
- 18.2 Failure of selected candidate to deposit 10% of the security deposit within the stipulated time.

18.3 LOI is withdrawn from the selected candidate

18.4 The distributor is terminated within one year of commissioning.

Re-draw will be carried out by following the procedure for Draw outlined in Para 15 above.

## **19. GRIEVANCE /COMPLAINT REDRESSAL SYSTEM**

Any complaints received against an applicant will be disposed off as under:-

19.1 Complainants will have to deposit Rs.5,000/- (Rupees Five thousand only) as complaint fees through a demand draft in favor of concerned OMC along with the complaint. Complaints which are not accompanied with the deposit of Rs. 5,000/- will not be investigated.

19.2 Anonymous complaints will normally not be investigated.

19.3 Complaints received against the applicant will be investigated only if the applicant is selected in the draw.

19.4 In case any complaint is received prior to draw alleging that the same land for godown/showroom or same funds/financial instrument(s) has been offered by more than one applicant for a particular location, such complaint will be investigated and till its disposal, further action for conducting the draw will be kept in abeyance.

19.5 Complaints will be entertained only if it is received by the concerned office of the OMC within 30 days from the date of declaration of draw result.

19.6 On receipt of the complaint, a letter will be sent to the complainant asking him to submit details of allegation within a period of 15 days with a view to prima facie substantiate the allegations along with supporting documents, if any.

19.7 In case the complaint is received against the selected candidate but within 30 days from the date of declaration of result, the same will be examined and action taken as appropriate.

19.8 Complaints not substantiated. The complaint will be filed and the complainant would be sent a reply accordingly.

19.9 Established complaint : In case of established complaint, suitable action will be taken as per the decision and the complainant would be sent a reply accordingly. Complaint fees of Rs. 5,000/- (Rupees five thousand only) remitted by the complainant shall be



refunded only in case if such particular complaint leads to cancellation of candidature of the selected candidate.

In case the complaint is pertaining to offering of the same land for godown/showroom or same funds/financial instrument(s) by multiple applicants and the same is established, then in such a case, the complaint fee of Rs 5,000/- (Rupees five thousand only) paid by the complainant will be refunded.

## **20. BASIC FACILITIES REQUIRED FOR OPERATION OF LPG DISTRIBUTORSHIP**

The selected candidate will construct or provide a readily constructed LPG godown to store LPG of stipulated capacity and obtain necessary approvals from statutory bodies including Petroleum & Safety Organization (PESO) within the time period mentioned in the LOI.

The selected candidate has to ensure that an all weather motorable approach road (public or private road connecting to the public road) of minimum 2.5 metre width is made available to provide access of LPG Cylinder Truck to the offered land for LPG Godown. In case of private road connecting to the Public Road, the same should be either owned/registered lease or having a right of way from the owner(s) of the land. Wherever the State Government stipulates an approach road of wider dimensions the same should be made available by the applicant.

An undertaking has to be provided by the selected candidate at the time of acceptance of LOI that the Approach Road as specified will be provided within the timeframe mentioned in the LOI. The Approach Road will be verified for its suitability before the issuance of Letter of Appointment. It would be responsibility of the selected candidate to ensure that the LPG cylinder truck is allowed unhindered access at all times through this approach road to the LPG Godown upon commissioning of the LPG distributorship. In the event of failure of selected candidate to make available the approach road, the LOI is liable to be cancelled along with forfeiture of the 10% security deposit. OMCs will not be held responsible for any investment made by candidate in the construction of the godown without having a proper approach road.

For Sheheri Vitrak, Rurban Vitrak and Gramin Vitrak the selected candidate will construct or provide a readily constructed LPG Showroom as per the Standard layout and color scheme within the time period mentioned in the LOI. The showroom should be easily accessible to general public through a suitable approach road. Although land for Showroom / Showroom is not an eligibility criteria for Durgam Kshetriya Vitrak, a showroom of dimensions 2.6 M x 3.0 M is to be constructed near the Godown or in an existing nearby shop falling within maximum distance of 500 M from the Godown site in the same village.

For Sheheri Vitrak, Rurban Vitrak and Gramin Vitrak the selected candidate has to develop adequate delivery infrastructure for Home Delivery of LPG Cylinders to the customers as specified by the OMCs in the LOI. Further, the selected candidate has to procure adequate

numbers of electronic portable weighing scales of required specification for demonstration of correct cylinder weight to the customers as per statutory regulations.

## **21. PERSONAL SUPERVISION**

A person selected for the distributorship will have to personally manage the operation of the LPG Distributorship. He/she will not be eligible for taking up any other employment. If the selected person is already employed he/she 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 (LOA) by the PSU Oil Marketing Company.

Before issuance of LOA by the OMC, the selected candidate would also be required to submit a Notarized Affidavit certifying that he/she is not employed in private sector or are not drawing any salary/perks/emoluments (other than pension) from the State/Central Government/PSU.

## **22. SCHEME OF FINANCIAL ASSISTANCE TO SC/ST CATEGORY DISTRIBUTORSHIPS**

The Selected Candidate for the location reserved under SC/ST category has the option to avail the Financial Assistance Scheme as given below.

Oil Marketing Companies (OMCs) shall facilitate the selected candidate belonging to SC/ST category in obtaining the loan from scheduled commercial bank for providing the LPG Godown, Showroom and LPG cylinder delivery infrastructure. In this regard, if the banks require any margin money to be invested by the candidate in providing the above mentioned facilities, OMCs shall extend financial assistance by way of a secured loan towards such margin money. The margin money shall however be limited to Rs. 1 Lakh for Urban market Distributorships and Rs. 0.60 lakh for Urban-Rural & Rural market Distributorship or 20% of the total project cost against which the loan has been sanctioned by Bank, whichever is lower.

The secured loan towards the margin money will be provided to Distributorships reserved for SC/ST categories at (SBI PLR + 1 %) interest per annum. This loan as well as interest will be recovered at the rate of 20% of distributor's commission.

Adequate working capital loan at (SBI PLR + 1 %) interest per annum, for a full operation cycle of the operation of the distributorship will also be provided. Both the working capital as well as interest thereon will be recovered in 100 equal monthly installments from the 13th month of commissioning of the Distributorship.

## **23. SECURITY DEPOSIT**

The selected candidate before being issued the appointment letter will have to deposit interest free refundable security deposit to the respective OMC as specified below:

*Fig in Rs. Lakhs*

<b>Type of Distributorship</b>	<b>Open</b>	<b>OBC</b>	<b>SC / ST</b>
Sheheri Vitrak/ Rurban Vitrak	5	4	3
Gramin Vitrak / Durgam Kshetriya Vitrak	4	3	2

The security deposit of 10% applicable for the respective type/category of LPG Distributorship collected from the selected candidate prior to issuance of LOI will be adjusted against the above security deposit as applicable.

OMCs will reserve the right to adjust any dues to it from the Security Deposit amount at the time of resignation/ termination. However, in case of termination of the distributorship is on account of proven malpractice, the said security deposit will be forfeited.

#### **24. COMMISSIONING OF THE DISTRIBUTORSHIP**

A candidate who has been given the 'Letter of Intent' (LOI) would be required to fulfil the terms and conditions as contained therein, so as to commission the distributorship within the stipulated time period (four months from the date of issuance).

The selected candidate (LOI holder) would be given training and has to clear pre-commissioning quiz/test by scoring qualifying marks that is 80%. In case LOI holder secures less than 80% marks in the quiz, re-training would be given and re-test conducted.

Before commissioning, Letter of Appointment would be issued to the selected candidate and an agreement will be executed as per the standard LPG Distributorship agreement.

#### **25. TENURE OF DISTRIBUTORSHIP**

The tenure of the HPGas & Bharatgas Distributorship shall be for an initial period of 10 years and renewable for every 5 years thereafter, subject to the examination of the performance of the distributorship by the respective OMC and decision thereon.

The tenure of the INDANE LPG Distributorship shall remain in force for an initial period of 10 years from the date of execution of Distributorship Agreement and continue thereafter until determined as per rights mentioned in the Distributorship agreement.

#### **26. FURNISHING OF FALSE INFORMATION**

- a. If any statement made by the applicant in the application or in the documents enclosed therewith or subsequently submitted in pursuance of the application at any stage is found to have been suppressed / misrepresented / incorrect or false affecting eligibility, then the application/candidature is liable to be rejected without assigning any reason.
- b. In case the selection of the candidate is rejected after the FVC or after issuance of LOI but before issue of Letter of Appointment, then the amount deposited by the selected

candidate before the FVC is conducted i.e., 10% of the applicable security deposit will be forfeited.

- c. In case the selected candidate has been appointed as a distributor and the allotment is liable to be cancelled, then the distributorship will be terminated along with forfeiture of security deposit remitted by the candidate.

In such cases, the selected candidate / distributor will have no claim whatsoever against the respective PSU Oil Marketing Company.

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