

Brochure for Selection of
Rajiv Gandhi Rural LPG Distributors

(Applicable to all locations Advertised / Re-advertised

Between

April 2011

To

September 2012

ONLY)

विवरणिका

BROCHURE

राजीव गांधी ग्रामीण एलपीजी वितरकों का चयन
Selection of Rajiv Gandhi Rural LPG Distributors

(प्रभावी अप्रैल 2011)
(Effective April 2011)



Brochure on Selection of Rajiv Gandhi Gramin LPG Vitrak (RGGLV)

1. Rajiv Gandhi Gramin LPG Vitrak (RGGLV) Scheme

Locations for setting up of Rajiv Gandhi Gramin LPG Vitrak (RGGLV) are identified broadly based on potential of average monthly sale of 600 LPG cylinders of 14.2 kg and 1800 customers with monthly per capita consumption of about 5 Kg, The assessment of refill sale potential is based on several factors including population, population growth rate, economic prosperity of the location and the distance from the existing nearest distributor.

Setting up of RGGLV at the identified location is a business proposition and has normal business risks and does not guarantee any assured returns or profits or any quantum of refill sale. It is extremely important to note that proprietor of RGGLV himself operates it and if need be he may employ one person for assistance.

2. Reservation for RGGLV

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

A	Open Category (O)	50%
B	Schedule Castes / Scheduled Tribes (SC/ST)	25%
C	Combined Category (CC) consisting of Defence Personnel (DP), Paramilitary/Police/Govt. Personnel (PMP) Physically Handicapped Personnel (PH) Outstanding Sports Persons (OSP)	25% for DP/PMP/PH/OSP all clubbed together

State wise '100-point' roster is maintained on Industry basis (i.e jointly by IOCL, BPCL and HPCL) to ensure the percentage reservations as mentioned above is achieved. The Distribution between SC and ST shall be as per the population ratio in the respective State.

Reservations for RGGLV in tribal areas in North Eastern States for Arunachal Pradesh, Meghalaya, Nagaland and Mizoram are as under: -

State	Percentage of distributorships to be awarded to ST category	Balance % to be awarded to open category
Arunachal Pradesh	70	30
Meghalaya	80	20
Nagaland	80	20
Mizoram	90	10

For reserved category locations, 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 RGGLV, then that location would be re-advertised under 'Open' category.

3. Mode of Selection of Distributors

Selection will be done by inviting applications through advertisements in 2 vernacular newspapers – one with widest circulation in the State and other with widest circulation in District in which RGGLV is to be setup.

Selection will be done by draw of lots out of all eligible applicants securing minimum qualifying marks (Minimum qualifying marks is 60% for locations reserved under SC/ST category and minimum 80% marks for all other category locations).

Only Individual applicants would be eligible. However, all RGGLVs will be in the joint names of applicant and his/her spouse (i.e wife/husband will be co-owner of RGGLVs). In case, the applicant is unmarried/divorcee/widow/widower, an undertaking will be required to be given that after marriage/re-marriage, spouse will be made co-owner. There will be no educational qualification requirement for spouse. . Co-owner means spouse will be 50% partner in RGGLV.

4. Common Eligibility Criteria for all Categories:

Applicant applying for RGGLV should

- (a) be an Indian citizen
- (b) be a resident of the town /village(s) of the advertised RGGLV location
- (c) have passed minimum Xth Standard examination or equivalent from recognized Board
- (d) be not less than 21 years and not more than 45 years in age as on the date of application for all categories except Defence Personnel Category (DP) and Paramilitary/ Police/ Government Personnel Category (PMP) applying under Combined Category (CC).

An applicant from Defence Personnel Category (DP) and Paramilitary/ Police/ Government Personnel Category (PMP) applying for location reserved under Combined Category (CC) should not be less than 21 years and not more than 60 years in age as on date of application.

- (e) fulfil Multiple dealership/distributorship norm

Multiple Dealership/Distributorship norms means that the applicant or any other member of 'family unit' should not hold a dealership/distributorship/RGGLV or Letter of Intent (LOI) for a dealership/distributorship/RGGLV of a PSU Oil Company i.e only one Retail Outlet / SKO-LDO dealership / LPG distributorship/RGGLV of PSU Oil Company will be allowed to a 'Family Unit'.

'Family Unit' in case of married person/ applicant, shall consist of individual concerned, his/her Spouse and their unmarried son(s)/daughter(s). In case of unmarried person/ applicant, 'Family Unit' shall consist of individual concerned, his/her parents and his/her unmarried brother(s) and unmarried sister(s). In case of divorcee, 'Family Unit' shall consist of individual concerned, unmarried son(s)/unmarried daughter(s) whose custody is given to him/her. In case of widow/widower, 'Family Unit' shall consist of individual concerned, unmarried son(s)/unmarried daughter(s).

- (f) have minimum total amount of Rs 2 lakhs put together from Saving accounts in Bank (as on date of application), free and un-encumbered fixed deposits in scheduled banks, Kisan Vikas Patra, NSC, bonds, any other investment, etc in the name of self or family members of the 'Family Unit' as defined above. (In case of RGGLV locations reserved under 'SC/ST' category, applicants with less than Rs 2 lakhs are also eligible also apply). For evaluation purpose, marks will be awarded to applicants of all categories based on the amount mentioned in the application.
- (g) own a suitable land (plot) of minimum 20 metre X 24 metre in dimension at the advertised RGGLV location for construction of LPG cylinder Storage Godown .

Own means having clear ownership title of the property in the name of applicant / family member of the 'Family Unit' as defined in multiple dealership/distributorship norm. In case of ownership/co-ownership by family member, consent letter from the family member will be required.

Land for construction of Godown will be considered suitable, if it is freely accessible through all weather motorable approach road (public road or private road of the applicant connecting to the public road) and should be plain, in one contiguous plot, free from live overhead power transmission or telephone lines. Pipelines / Canals / Drainage / Nallahs should not be passing through the plot.

- (h) be physically and mentally sound to be able to run the business
- (i) neither have been convicted nor charges been framed by any Court of Law for any criminal offence involving moral turpitude/ economic offences.
- (j) not be a signatory to distributorship/dealerships agreement, terminated on account of proven cases of malpractice/adulteration of any Oil Company.

5. Specific Eligibility Criteria for Different Categories:

a. Open Category (O)

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

b. Scheduled Caste/ Scheduled Tribe Category (SC/ST):

The candidates belonging to castes/tribes recognised as Scheduled Castes/ Scheduled Tribes (SC/ST) under the Constitution of India will be eligible.

The candidates will be required to submit along with application a certificate issued by the competent authority notified by the Government of India certifying that the candidate belongs to Scheduled Caste /Scheduled Tribe.

c. Combined Category (CC)

Applicants belonging to any of the following categories can apply for RGGLV under 'Combined Category'.

I Defence Personnel Category (DP):

Defence Personnel means personnel of armed forces (viz. Army, Navy, Airforce) and will cover widows /dependents of those who died in war, war disabled/ disabled on 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.

Candidate applying under this Category should produce Eligibility Certificate issued from Directorate General of Resettlement (DGR), Ministry of Defence, and Government of India sponsoring the candidate for the RGGLV for which he/she has applied. Certificate of eligibility issued for one RGGLV is not valid for another RGGLV and therefore a candidate can be considered to be eligible only if he/she has been sponsored for the particular location with reference to current advertisement

II Paramilitary/ Police/ Government Personnel Category (PMP):

The personnel of Paramilitary/Police including persons having served in BSF, CRPF, CISF, ITBP, Railway Protection Force, Special Reserved Police, Special Armed Police, Coast Guards, Assam Rifles etc. as designated by Central Government and Police Forces of the States, Customs and Central Excise Department, Narcotics Control Bureau, Enforcement Directorate, Economic Intelligence Bureau, Directorate General of Anti-Evasion and Directorate of Revenue Intelligence and those serving in different Departments of Central/State Governments who are incapacitated or disabled while performing their duties will be eligible under this category. In case of death, while performing duties, their widows/ dependants will also be eligible under this category.

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

III Physically Handicapped Category (PH) :

Candidates would be considered eligible under this category in case the candidates are orthopaedically handicapped to the extent of minimum of 40% permanent (partial) disability of either upper or lower limbs; or 50% permanent (partial) disability of both upper and lower limbs together. For this purpose, the standards contained in the 'Manual for Orthopaedic Surgeon in evaluating Permanent Physically Impairment' brought out by the American Academy of Orthopaedic Surgeons, USA and published on its behalf by the Artificial Limbs Manufacturing Corporation of India, G.T. Road, Kanpur, shall apply.

Deaf, Dumb and Blind persons with minimum degree of 40% disability will also be eligible to apply for all RGGLVs/dealership under this category. However, totally blind persons will not be eligible. Candidate applying under this category should produce a certificate (*as per the standard format given the application format*) 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.

IV Outstanding Sports Persons Category (OSP):

The following persons will be eligible:

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

Candidate applying 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.

6. Personal Supervision by Distributors (for All Categories)

A person selected for RGGLV should personally manage the operation of RGGLV. 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 by the Oil Company.

7. Basic Facilities Required for Operation of RGGLV

RGGLV would require a storage Godown approved and licensed by Chief Controller of Explosives of Petroleum and Explosives Safety Organisation (PESO) for storage of LPG in cylinders. A showroom of the dimensions 2.6 m X 3 m can be constructed near the Godown or in an existing nearby shop.

For construction of Godown, land should be of Minimum Dimensions 20 metre X 24 metre. It should be freely accessible through all weather motorable approach road (public road or private road of the applicant connecting to the public road) and 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

RGGLV will not be required to deliver LPG cylinders at the residence of the customers. LPG cylinders will be given to the customers from the authorised licensed LPG Godown at the Retail Selling Price (RSP).

8. Construction Of Godown/Showroom

In case selected candidate for any reason is unable to construct LPG Godown duly approved by the Chief Controller of Explosives and Showroom as per the Oil Company's standard layout then the allotment of RGGLV made to the applicant will automatically stand cancelled.

9. Scheme Of Financial Assistance To SC/ST Category Distributorships Under 'Corpus Fund' Scheme

Candidate Selected for RGGLV locations reserved under SC/ST category will be provided a secured loan of Rs. One Lakh for construction of Godown/other facilities by the concerned OMC. This amount will be recovered on per refill basis at the rate of 20% of distributor's commission for 14.2 kg cylinders as per policy.

For RGGLV locations reserved under SC/ST category, the concerned Oil Company will provide adequate working capital loan for operation of the RGGLV at an interest rate of 11% per annum on reducing balance. Both, the working capital loan as well as interest will be recovered in 100 equal monthly instalments from 13th month of commissioning of the RGGLV.

10. Application Form

Application form for RGGLV is a part of the advertisement published in the newspapers. The application format can also be downloaded from our website www.iocl.com, www.ebharatgas.com, www.bharatpetroleum.in and www.hindusthanpetroleum.in

- a) The application can be submitted on plain paper in the prescribed format as mentioned above.
- b) Application Processing Fee: (non refundable) - Rs.1000/- (Rs.500/- in respect of SC/ST candidates).
- c) All applicants are requested to take note that they are requested to go through the conditions mentioned in the application form as well as the advertisement to ensure that all the relevant conditions are fulfilled as stipulated in the said application form.

11. Evaluation Criteria

All the applicants satisfying the eligibility criteria will be evaluated out of total 100 marks based on information given in the application. Evaluation Criteria will be based on marking system with 50 marks for financial capability, 10 marks for income and 40 marks for educational qualification. Details of marking system are as under: -

1. Criteria for award of marks on Financial Capability (max 50 marks)

Sub Head	Description	Max Marks	Evaluation								
1A Savings bank/ investments	(a) Amount in Saving accounts in Bank. (as on date of application) (b) Free and un-encumbered fixed deposits in scheduled banks or any other resource which can be readily converted to liquid cash (as on date of advertisement)	50	Marks to be awarded based on (FD / NSCs / Shares / any other investment bonds in the name of self or family members as defined above under relationship clause) Award 1 marks on every unit of Rs.8000/- or more in multiples of Rs.8000/-								
1B Ability to arrange loan	(c) Bankers / Financial institution letter to extend loan, if required. (as on date of application)	10	Marks to be awarded on the basis of letter from bankers/ financial institutions as under: - <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Range of loan Rs.</th> <th>Marks to be awarded</th> </tr> </thead> <tbody> <tr> <td>> =1 lakhs to < 2 lakhs</td> <td>8</td> </tr> <tr> <td>> =2 lakhs to < 3 lakhs</td> <td>9</td> </tr> <tr> <td>> = 3 lakhs to < 4 lakhs</td> <td>10</td> </tr> </tbody> </table>	Range of loan Rs.	Marks to be awarded	> =1 lakhs to < 2 lakhs	8	> =2 lakhs to < 3 lakhs	9	> = 3 lakhs to < 4 lakhs	10
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> = 3 lakhs to < 4 lakhs	10										
1C Assets	(d) Other assets (as on date of advertisement)	5	Marks to be awarded as under, based on valuation by Govt. approved valuer of immovable property/other assets <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Range of assets value</th> <th>Marks to be awarded</th> </tr> </thead> <tbody> <tr> <td>> = 2 lakhs < 3 lakhs</td> <td>3 marks</td> </tr> <tr> <td>> = 3 lakhs < 4 lakhs</td> <td>4 marks</td> </tr> <tr> <td>> = 4 lakhs</td> <td>5 marks</td> </tr> </tbody> </table>	Range of assets value	Marks to be awarded	> = 2 lakhs < 3 lakhs	3 marks	> = 3 lakhs < 4 lakhs	4 marks	> = 4 lakhs	5 marks
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> = 3 lakhs < 4 lakhs	4 marks										
> = 4 lakhs	5 marks										
Maximum marks		50									

Maximum 50 marks put together for savings bank / investment, ability to arrange loan and assets. In case candidate gets 50 marks in 1A above then no evaluation to be done for 1B and 1C.

2. Criteria for award of marks on present income (max 10 marks)

Income	Income form all sources such as property, business, agricultural, interest, dividend, rent earnings, royalty etc. per annum.	10	Income for the last financial year as per income tax return and or affidavit on income Maximum Marks 10. Award 0.1 marks on every unit of Rs.1000/- or more in multiples of Rs.1000/-
Maximum marks		10	

3. Criteria for award of marks on education qualification (max 40 marks)

Description of Qualification	Marks	Evaluation
Graduate or more	40	Based on the qualification.
Senior Secondary i.e (10+2) CBSE or equivalent from recognised Board	35	
Matriculation - Xth Standard examination or equivalent from recognized Board	32	
Maximum marks	40	

Applicant should score minimum 60% marks for LPG Distributorships reserved under SC/ST category and score minimum 80% marks for others categories to qualify for award of RGGLV.

12. Selection Process

- 12.1. A Committee consisting of two Officers of the concerned Oil Company will do scrutiny of the application and award marks to the applicants based on the information given in the application
- 12.2. Selection will be done by draw of lot out of all eligible applicants securing minimum qualifying marks. Minimum qualifying marks is 60% for locations reserved under SC/ST category and minimum 80% marks for all other category locations
- 12.3. The list of ineligible applicants, eligible but not qualified applicants and qualified applicants for draw of lot will be made available on the notice board of the concerned office of the Oil Company as well as on the website of the concerned Oil Company.
- 12.4. All the applicants will be individually informed about the status of their application. Ineligible and eligible but not qualified applicants can representations within 15 days from the date of the letter.
- 12.5. Efforts would be made by Oil Company to ensure that all the representation/complaints are disposed off within 3 months.
- 12.6. After disposal of representations/complaints if any, all the eligible candidates who have qualified will be asked to report at a specified place on specified date and time for draw of lot. The same will be notified in the local newspapers. Each qualified candidate will be issued a token number and this token number will be recorded on his/ her application.
- 12.7. All token numbers will be put in an empty box in the presence of the candidates, the officials of the Company and the invited guest from amongst the local MP, MLA, Zilla Parishad, Panchayat Samiti Chairman, Sarpanch, Revenue officials etc. However, a quorum comprising of at least 50% of the candidates (whose names are there in the draw) and the concerned company officials could be sufficient to proceed with the draw of lots. The proceeding of the draw will be video graphed
- 12.8. One token number will be drawn out and the candidate to whom the token number was allotted will be declared as selected candidate.
- 12.9. Field verification will be carried out for the selected candidate and if the information given in the application by the applicant is found to be correct, Letter of Intent will be issued to the selected candidate.
- 12.10. In case of rejection of selected candidate due to findings in the Field Investigation or if selected candidate is unable to develop facilities for Rajiv Gandhi Gramin LPG Vitrak within the specified time, then his candidature will be cancelled and draw will be held again from the remaining qualified eligible candidates to select the next candidate following the procedure as mentioned above in para 12.3 to 12.6

13. Commissioning of RGGLV

Selected 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 RGGLV within the stipulated time period. Before commissioning, Letter of Appointment will be given and an agreement shall be executed. The duration of the agreement will be initially for five years, renewable for every five years thereafter, subject to the examination of the performance

14. Security Deposit

The selected candidate before being issued the appointment letter shall have to deposit interest free refundable security deposit of Rs. 2 lakhs with the concerned OMC. The Concerned OMC will have the right to adjust any dues to it from this amount at the time of resignation/ termination. However, in case of termination of the RGGLV on account of proven malpractice, the said security deposit shall be forfeited.

15. Grievance /Complaint Redressal System:

Any complaint received against the selection of RGGLV as mentioned in para 12.4 will be disposed off as under:-

- 15.1. Anonymous complaints will normally not be investigated.
- 15.2. On receipt of a complaint a letter will be sent by the oil company to the complainant through Registered Post, asking him to submit details of allegation with a view to prima facie substantiate the allegations along with supporting documents, if any, within 30 days. While seeking documents and details, the complainant will be advised that if during the investigations complaint is found to be false and/or without substance the Oil Company reserves the right to take action against the complainant as provided under the law.
- 15.3. The concerned Oil Company will examine response of the complainant and if it is found that the complaint does not have specific and verifiable allegations, the same will be filed.
- 15.4. If a decision is taken to investigate the complaint, one Senior Officer will do the investigation. Thereafter, decision on the complaint will be taken as under:-

15.4.1.1. Complaints not substantiated:

The complaint will be filed and the complainant will be advised accordingly.

15.4.1.2. Established complaint

In case of established complaint, the complainant will be advised accordingly and the concerned Oil Company will take suitable corrective action.

16. Furnishing of False Information

If any information furnished by the applicant is found to be false at any point of time before or after appointment as a RGGLV, the allotment shall be cancelled forthwith and RGGLV terminated in case commissioned

17. General Notice

- 17.1. Applicants to note that the RGGLVs are proposed based on an estimated refill potential of 600 refills per month and 1800 LPG connections. To be economically viable, RGGLV has to be operated by the proprietor himself. Applicants should satisfy themselves on the viability of the business.
- 17.2. The details provided in this brochure are only for the information and the oil company reserves the right to amend, modify, delete or add any terms and conditions at their sole discretion. The applicant shall be governed by the terms and conditions published in the advertisement for the location against which he/she is applying.
- 17.3. The content given in this brochure should not be considered as policy document and cannot be legally quoted. Oil company shall be the final authority for giving any clarification or interpretation on the contents given in this brochure, if need be and at its own discretion. Oil Company cannot be held responsible for any loss or damage or consequences from misunderstanding or misinterpretation of the contents in this brochure. The Corporation may revise the contents of this brochure from time to time without giving any notice.
