



INDRAPRASTHA GAS LIMITED

GUIDELINES



RETAIL STATIONS ON FULL DEALER OWNED DEALER OPERATED MODEL (FDODO)

1.0 Introduction:

Indraprastha Gas Limited (IGL), a joint venture of GAIL and BPCL was incorporated on 23rd December 1998 as a City Gas Distribution Company under the direction of Hon'ble Supreme Court of India. Indraprastha Gas Limited is engaged in distribution of Compressed Natural Gas to Transport Sector and Piped Natural Gas to Domestic, Industrial and Commercial Sectors. At present, IGL has been authorised for City Gas Distribution in NCT of Delhi; Gautam Budh Nagar, Ghaziabad, Hapur, Fatehpur, Hamirpur, Kanpur (except earlier authorised areas), Muzaffarnagar, Shamli and Meerut (except earlier authorised areas) in Uttar Pradesh State; Rewari, Karnal, Kaithal, Gurugram in Haryana State and Ajmer, Pali & Rajasamand in Rajasthan State.

2.0 Full Dealer Owned Dealer Operated (FDODO):

- 2.1 Under this model, the land, construction, complete facilities including equipment and all relevant statutory permissions in the name of IGL, will be in the scope of the Dealer. The land with clear title may belong to the Dealer or he may have got the same by way of registered lease (with provision of sublease to IGL) with a minimum period of 30 years.
- 2.2 Technically suitable lands beyond 1 Km range of IGL Retail Stations in NCT of Delhi and beyond 2 Km range of IGL Retail Stations in other GA's may be considered for issuance of Letter of Intent (LOI). Updated list/coordinates of IGL Retail Stations will be available on website, so that an applicant is able to assess market potential of the area of their interest based on operational and upcoming CNG Stations. The expected time period for commissioning of Retail Station is within 24 months from the date of LOI.
- 2.3 Online Station may be considered by IGL in case required length of steel pipeline to be laid is up to 1 Km (from the main pipeline network till the proposed station) and laying of pipeline is feasible. In case of Daughter Booster Station, the transportation of compressed gas from IGL's Mother Station to DBS will be in the scope of Dealer including arrangement of transportation related equipment like cascades, vehicle etc.
- 2.4 **Security Deposit:** The Dealer is required to pay an interest free security deposit towards gas sale for an amount equivalent to 5 day's average estimated sale by way of Demand Draft. The periodic review of security deposit would be done twice every year (i.e. in April and October). It will be revised upward if the increase in sale is by more than 10%.
- 2.5 **Dealership Agreement:** A separate Dealership agreement shall be executed.
- 2.6 **Dealership Commission/ Service Charge:** The Dealer shall be paid a service charge as decided by company from time to time. The service charge paid per kg may be different for respective GA's. Viability of the business of the proposed site under FDODO model to be assessed by the applicant and it will not be the responsibility of IGL.

2.7 **Compensation:** The Dealership agreement shall have a Clause that in case the Dealer terminates the Dealership Agreement with IGL prior to a minimum period of Twenty years, then he will compensate IGL with loss of business charges amounting to INR 5 Crores. The Dealer agrees that the amount for business loss represent a fair, reasonable and an appropriate estimate of the expenditure undertaken towards making the gas supply and the probable loss of business likely to be incurred by IGL.

3.0 Eligibility Criteria:

3.1 For Individuals:

3.1.1 **Nationality:** Must be an Indian citizen.

3.1.2 **Age:** As on the date of application (in completed years) not less than 21 years and not more than 55years.

3.1.3 **Educational Qualifications:** Minimum 12thpass or recognized equivalent.

3.1.4 **Residence:** The Applicant shall be the resident of India as per Income Tax Act.

3.2 For Partnership Firms:

The Partnership Firm should be duly registered under Indian Partnership Act. All partners of the firm should individually fulfil the eligibility criteria as specified at 3.1 above. Firm should submit a single application form online.

3.3 For Non individual Entities:

3.3.1 **Registered Co-Operative/ Consumer societies:** Registered co-operative/consumer societies registered under Societies Registration Act 1860 are also eligible to apply provided they meet the required financial criteria per Clause 3.4.

3.3.2 **Organized Bodies:** Organized Bodies such as registered bus/truck associations etc., Charitable Trusts registered with Charity Commissioner of respective State Government and corporate houses i.e. Government Organizations/Bodies, PSUs, and Companies incorporated under Companies Act, 1956 (as amended thereto) are also eligible to apply, provided they meet the required financial criteria as per Clause 3.4.

3.4 Financial Eligibility:

The Applicant applying for FDODO model shall have a minimum financial capital of INR 2 Crores, duly certified by Government Approved Valuer (GAV), to be eligible for consideration of the application and further processing for Dealership. Cash, Jewellery, will not be considered as “Liquid Cash” or “Assets”. The amount considered for evaluation under fixed and movable assets would be 50% of the value assessed by GAV. Parental property(Father’s and Mother’s) or spouse’s property may be considered for evaluation purpose along with an affidavit from the owner intending to use their property for evaluation).Mutual Funds would be considered at 80% of their market

value. Latest ITR filed by applicant needs to be submitted.

3.5 **Disqualification:**

- 3.5.1 Candidates convicted or against whom charges have been framed by a Court of law for any criminal offence involving moral turpitude/economic offence (other than freedom struggle).
- 3.5.2 Medically unsound / totally paralysed person.
- 3.5.3 Signatory to any agreement terminated by IGL/CGD's/OMC's on the grounds of malpractice and misconduct.
- 3.5.4 Found guilty of willfully giving wrong information.

4.0 **Land Norms:**

4.1 The land norms of suitable land for setting up of CNG/LNG/LCNG/CBG/Electrical Charging/Battery Swapping Station at the advertised area is the essence of the Dealership.

4.2 **Details of Land Required:**

- 4.2.1 The Plots should be 1000 - 4000 Sqm, or as specified in the EOI, preferably rectangular in shape. In urban areas smaller plots meeting all statutory norms may be considered.
- 4.2.2 Frontage of plot should be preferably 24 meters or more or as per the applicable local norms. The plot should fulfil the statutory norms of the concerned civic authorities.
- 4.2.3 Front Road Width should be as per minimum ROW required for setting up of Fuel Stations in accordance to the updated norms of National Highway/State Highway/Master Plan/Building Bye Laws of the local bodies.
- 4.2.4 Distance from other fuel stations should be as per updated norms of National Highway/State Highway/Master Plan/CLU Norms of Local bodies.
- 4.2.5 It should be the responsibility of the applicant to ensure that as on date of application:
 - 4.2.5.1 Offered land is of required dimension and abutting the Road boundary, after leaving Right of Way (ROW) line of road.
 - 4.2.5.2 The offered land is also not notified for acquisition.
 - 4.2.5.3 Land owner is in possession of the land from beginning / edge of ROW line.
 - 4.2.5.4 There is no other land including Govt. Land between ROW and offered plot.

4.3 Type of Land – Owned / Leased

4.3.1 **Owned Land:** The land owned by the family member(s) will also be considered as belonging to the applicant subject to producing the consent letter in the form of affidavit

on a Rs. 100 Stamp Paper / NOC duly registered, from the concerned family member(s). The land owning family member is required to submit a registered lease deed at least for 30 years in the name of lessee, who is the applicant. Family members comprising of the following:

Self/Spouse

Father/Mother

Brother/Sister (unmarried)

Son/Daughter (unmarried)

4.3.2 **Registered Lease:** Land belonging to applicant by way of registered lease of minimum 30 years shall also be considered.

4.4 **Documents to be attached with DDR for Offered Land:**

- a) Khewat/Khatauni/Jamabandi of the subject land certified by the Patwari.
- b) Sale Deed/ Lease agreement or firm allotment letter issued by government/ semi-Government bodies in the name of applicant for CNG Station.
- c) Registered Lease Deed for the proposed land with a lock-in period of 30 years
- d) Undertaking for the Proposed area
- e) Mutation Records Jamabandi for last 20 years
- f) Layout plan superimposed on Naksha shijra (signed by Owner)
- g) Identity card (PAN Card, Aadhar Card etc.) of land owner(s) of proposed land
- h) Undertaking of CLU
- i) No Litigation Certificate
- j) Indemnity Bond

4.4.1 Site map with dimensions indicating survey no., hissa no., name of the road (NH/SH/Other road), nearest KM Stone, total land area and offered land, as applicable in respect of the plot being offered for Retail Station are to be attached.

4.4.2 A key plan showing adjoining lands on all 4 sides and ROW of road in front of plot shall be submitted by the applicant.

4.5 **Evaluation of site on various parameters:**

The technical suitability of land/site offered by applicants for any location against an advertisement shall be evaluated based on following:

- i) Land in advertised area
- ii) Land dimension as per requirement
- iii) Land meets Statutory Norms/NHAI (for sites on NH)/ NRC/PWD/PESO/Local Municipality Bodies
- iv) Land has no HT/LT Electric Line / Telephone line crossing
- v) No School/Hospital/ Residential or other institution attached to plot

Land not meeting any of the above parameters will not be considered and will be

rejected. The above parameters can be modified by the company.

5.0 Process for applying:

5.1 Application form for Dealership can be submitted in the prescribed format available on IGL's website.

5.2 Application form shall include Due Diligence Report taken from an advocate (Empaneled with Government Organization, for similar activities). The Due Diligence Report shall contain and be based on the documents mentioned in Clause 4.4. The Due Diligence Report by the Advocate shall specifically certify the ownership title of the land and that the subject land is free from any and all encumbrances.

5.3 Application Fee (non-refundable): Rs.5000/- for all the categories, to be submitted along with the application either online or through demand draft.

5.4 In case of partnership, the name of each partner would be mentioned in the application form. However, the application form would be one.

5.5 The applicant should upload his / her recent (Last 6 Months) Photograph.

5.6 Applications without accompanying valid documents, application fee or incomplete in any respect will not be considered and no correspondence will be entertained by IGL in such cases whatsoever. FDODO applications may be considered for processing initially on monthly basis, which may be modified by IGL suitably as per requirement.

5.7 During the scrutiny of application, if any statement made in the application or in the document enclosed herewith by the candidate at any stage is found to be incorrect or false and/or the applicant conceals any information, which if, would have made him/her ineligible for Dealership, the application is liable to be rejected and in case the applicant has been appointed as a Dealer, the Dealership is liable to be terminated. In such cases the candidate / dealer shall have no claim whatsoever against IGL. The security deposit submitted by the Dealer would be forfeited in such cases.

5.8 **LOI Fee (non-refundable):** The successful applicant has to deposit non-refundable fees of Rs. 3 Lakhs plus GST for sites in Delhi, Gautam Budh Nagar, Ghaziabad, Gurugram and Rs. 1.5 Lakhs plus GST for sites in other Geographical Areas in favour of IGL. LOI shall be issued to successful applicant only after receipt of applicable fees.

5.9 Person applying for different locations:

While one applicant can apply for different locations, the same should be done in separate application forms in respect of each location along with application fee in each case. Each application should be complete in all respect. Documents attached with one application cannot be considered for other application(s). However in a GA, only one LOI will be awarded to one family (Self, spouse, parents and unmarried children). IGL employee, his/her family are not permitted to participate in this process.

6.0 Tenure of Dealership and Dealership agreement:

The tenure of CNG Dealership will be for an initial period of 20 years and renewable for every 10 years thereafter, subject to satisfactory performance of the Dealership by the Dealer.

7.0 Furnishing of false information / concealing information:

If any information furnished by the applicant is found to be false at any point of time before or after appointment as a Dealer or conceals any information which if declared would have made him/her ineligible for Dealership, the allotment will be cancelled forthwith and Dealership shall be terminated, in case already commissioned.

8.0 Amendment / Modification:

IGL reserves its right to amend, modify, delete or add any of the above terms and conditions at their sole discretion.

Detailed Scope Matrix for FDODO Model:

S.No.	Activities	Scope
1	Land & Land related permissions and all civil works including architectural work	Dealer
2	Procurement of Equipment and all associated facilities to run equipment for dispensation	Dealer
3	All statutory permissions related to construction of station, Equipment & Dispensation in the name of IGL	Dealer
4	Day-to-day operations i.e. Forecourt Management, Collection of Sale proceeds, Deposit of Sale proceeds in to IGL's Account	Dealer
5	O&M of CNG Equipment and all associated facilities	Dealer
6	Supply of Natural Gas through CGD network	IGL
7	Transportation of Gas through LCV Cascades to DBS	Dealer
8	Electrical System e.g. taking Electrical Connection, Electrical Cabling & Earthing, UPS, Power Backup system, Arrangement of Transformers, installation of Electric Meters, Lighting Poles etc.	Dealer
9	Electricity Charges towards Equipment till final dispensation	Dealer
10	Station lighting, Flooring, General Upkeep of Station including Dispenser Area etc. for better visibility of IGL branding	Dealer
11	Supply & Maintenance of Fire Fighting Equipment	Dealer
12	Fixation of Retail Selling Price of CNG	IGL
13	Safety and Technical Audits	IGL
14	Tax/Duties related registration / payments / obligations	As per prevailing statutory obligation
15	Promotional Activities for Increasing CNG sale	As per agreement