

GUIDELINES for

**SELECTION OF SERVICE PROVIDER *for*
PROVIDING MANPOWER at**

COMPANY OWNED,
COMPANY OPERATED OUTLETS
(COCO)



Hindustan Petroleum Corporation Limited

Retail SBU,
Hindustan Bhawan,
8, Shoorji Vallabhdas Marg,
Ballard Estate,
Mumbai 400 001

**GUIDELINES FOR SELECTION OF SERVICE PROVIDER FOR PROVIDING
MANPOWER AT COMPANY OWNED COMPANY OPERATED OUTLETS
(COCO)**

1. Eligibility Criteria:

a. Any Indian resident who on his / her selection as service provider shall have to register himself with EPF / ESIC within a specified period.	
b. (i) For Individual	Indian National : Min Age 21 yrs
(ii) Partnership firms	Each partner should satisfy requirement for individual.
(iii) Registered Co-Operative Societies	Eligible to apply provided they are making net profit during preceding three financial years, as per audited Balance Sheet, prior to year of application.
(iv) Government Organizations/ Bodies, PSUs, Limited Companies/ DGR nominee	No condition for Govt. organizations/Bodies/PSUs, Ltd Companies
c. The applicants under b (i) and b (ii) should have a minimum educational qualification of Matriculation or recognized equivalent	

2. Disqualification:

Following will not be eligible to apply:

- a. Dealers / Distributors / LOI holder(s) of any Oil Company and their family members as defined under **3.ii.b(iii)**. However, this will not be applicable to Govt. Departments/ Govt. Undertakings and Corporate bodies including Companies registered under Companies Act.
- b. Person Convicted by a Court of Law for any criminal offence.
- c. Signatories of dealership / distributorship agreements of any Oil Company terminated on account of adulteration / malpractice.
- d. **No one member of a Family unit, as defined below under 3.ii.b(iii) can be selected for more than one single contract of Service Provider for a COCO”.**

In case of non Individual applicants, the following categories of Non Individual applicants would not be eligible to apply for Service provider for COCO.

➤ **For Companies registered under Companies Act, 1956:**

- i. **The applicant company will not be eligible to apply for service provider contract if any of the following entity**

connected with the Company is already holding Service provider contract for COCO of any Oil company :

- a. Any of the Director or his family members (family as defined under 3.ii.b(iii))
- b. Holding company or Subsidiary company.
- c. Any other company or Firm where share holders (put together) of the applicant company have controlling stake i.e. 51% or more.

ii. For organized bodies and Societies registered under Societies Registration Act, 1860.

Such entities will not be eligible for Service provider contract if any Member of the Governing Body/Managing Body/Any such other Body or his family member (family as defined at 3.ii.b(iii)) already have a service provider contract for COCO of any Oil Company.

- iii. Government owned Companies defined as major shareholding with the Government, Public Sector & Joint Sector Units or Government administered Organizations will be exempted from having the multiple service provider contract for COCOs.
- iv. DGR nominees would fall under the provisions as applicable to Individual and hence would not be entitled to have more than one Service provider contract.

3. Nature of Contract:

To provide services for Fuel Dispensing related activities including day to day operation and maintenance.

(i) Selection Criteria

Parameter	Weightage
i Experience of deploying manpower / providing services	30
ii Financial capability	40
iii Category of Services provided	20
iv Personality	10
Total	100

(ii) Guidelines for Evaluation

a. Experience of deploying manpower/providing services (30 marks) Max

- Documentary evidence in support of experience in deploying manpower providing services.
- Full marks for experience of providing above services for 3 financial years (in last 6 financial years) and proportionate for lesser experience.
- 10 marks will be allotted for one year experience, 20 marks for two years experience and full 30 marks for 3 years experience. However, eligibility for counting experience will be deployment of 5 persons for at least 100 days in a calendar year, to qualify 10 marks for that year, otherwise it will be NIL.

Note : The Documentary evidence would include Wage Register, Returns filed with the Statutory authorities like ESIC, PF, Labour Commissioner etc, indicating the number of personnel employed or any other equivalent document.

b. Financial Capability: (40 marks) Max

Evaluation under this head will be based on following assets:

(i) *Liquid assets* :

Following will be considered:

- Funds/ Deposits with Bank/Registered Companies/Postal Schemes/ saving accounts.
- Shares of listed Companies in D-mat form (@ 60% of market value on last working day of previous month of application). Valuation certificates to be provided
- National Savings Certificates etc., (@ redemption value on date of application. Valuation certificates to be provided).
- Mutual Funds @ 60 % of NAV on last working day of previous month of application. Valuation certificates to be provided
- Bonds: Redemption value on date of application. Valuation certificates to be provided

In case adequate funds as per requirement of HPCL are available under this head, candidate will be entitled for full 40 marks.

(ii) **Fixed & Moveable assets**

Candidates not having sufficient liquid assets can supplement the same with fixed and moveable assets, which will carry **max. 10 marks (out of total 40 under head 'Finance')** – based on valuation certificate from Govt. authorities/ Govt. approved valuer.

(Fixed & Moveable assets will be evaluated @ 40 % of asset value)

(iii) Other Notes :

- Having full or more funds than required towards value of collateral/ security for the COCO will entitle the candidate for full marks and proportionately for lower funds in item (i) and (ii) as above. Documentary evidence will have to be provided for each claim.
- Finance / assets owned by the family unit of the applicant can be considered for award of marks subject to the written consent along with supporting documents to establish the capability.
- In case of **married person/applicant** the “family unit” consists of self, spouse and unmarried son(s) / unmarried daughter(s) and in case of **unmarried person/ applicant** the “family unit” consists of self, father, mother, unmarried brother(s) and unmarried sister(s).
- Cash, Jewellery and any other assets where ownership cannot be established and traced will not be considered for award of marks.

c. Category of Services provided

(20 marks) Max

Evaluation will be based on Contractors experience of providing desired services for a particular sector.

Sl.No.	Sector	Max Marks
i.	Petroleum Retail / Automobile/ Transport Or	20
ii.	Hotel/ Travel & Tourism/ Hospitality Or	15
iii.	Other sectors	10

For this purpose, at least two years experience of providing services in a particular sector will entitle the candidate for full marks and proportionately for experience of less than two years.

d. Personality :

(10 marks) Max

Evaluation under this head will be made based on leading questions during interview to assess the candidate's knowledge/ skills on following parameters. Award of marks under the head “Personality” will also be applicable for such Registered Co-operative Societies, Govt Bodies, PSUs Limited Companies etc. as evaluation under this head will be made based on leading questions during interview to assess the candidates knowledge/skills on the following parameters :

Sl. No.	Parameter	Max. Marks
i.	Knowledge of Labour Laws, ESIC, EPF, Shops & Establishment Act, Factories Act, Contract labour Act, Safety and environment and other statutory rules besides issues related to customer service	6
ii.	Work experience, communication skill, presentability, level of education etc.	4

Note for DGR Nominees

Such applicants will get 5 additional marks. The selection will be done based on highest % of marks secured by the applicants for a COCO.

4. Security Deposit/Security for Assets of the Company

- The Service Provider (Contractor) will have to offer collateral security, to the extent of value given in the advertisement by way of BG to the satisfaction of Corporation, before signing of agreement.
- The Service Provider will be required to provide Bank Guarantee equivalent to 5 days sales (MS and HSD) volume on the estimated second year sales which will cover the stocks of the retail outlet. Reimbursement of costs incurred in providing the Bank Guarantee will be reimbursed at actuals to the service provider, on producing necessary documentary evidence.
- Against Bank Guarantee of 5 days sales value, Company would effect initial supply to cover upto 4 days sales (rounded off to 12 kl in case of HSD and to 4 kl in case of MS). The operator shall make payment to the supply location by Pay Order / DD as the case may be for the full value of the invoice, which is at RSP for MS / HSD and at normal billing rates for lubes.
- In case, the second year projected volumes are achieved before the second year, specific recommendation would be put up by the Region for increasing the inventory levels to have coverage for 4 days sales but not exceeding the Bank Guarantee limit.
- Bank Charges for purchasing pay order /DD shall be reimbursed to the Service Provider on actuals (upon production of receipt from the bank).

5. Application Form

Eligible applicants can obtain application form/detailed guidelines on payment of Rs.50 (Rupees Fifty only) by a Demand Draft drawn in favour of Hindustan Petroleum Corporation Limited payable at the location as indicated in the advertisement.

The application form/detailed guidelines can also be downloaded from HPCL's Website (www.hindustanpetroleum.com)

Interested applicants should submit a Demand draft of Rs.1000/- in favour of Hindustan Petroleum Corporation Limited payable at the location of Regional Office, along with the completed application form.

6. Grievance Redressal: .

- a. An aggrieved person may send his/her complaint to the oil company at the address of the Regional office of company within 21 days from the date of interview. No complaints against appointment of Service Provider will be entertained after 21 days from the date of the interview.

Pending disposal of complaints appointment of Service Provider shall be kept in abeyance. Disposal of complaints shall be as per established complaint redressal system as specified herein below

- b. Anonymous /pseudonymous complaints and complaints not fully substantiated will not be investigated.
- c. When a decision is taken by the Zonal Head to investigate the complaint, the investigation will be done by one Senior Officer of HPCL, nominated by him. The investigating officer shall give a due opportunity to the complainant and shall submit his report to the Zonal Head. Efforts will be made to ensure that the complaints are disposed of within one month from the date of receipt of the complaint.
- d. The investigation report shall be reviewed by the Zonal Head who will issue / give speaking orders, conveying the decision on the complaint.
- e. Decision on the complaint will be taken as under:
 - (i) **Complaints not substantiated:** The complaint will be filed and the complainant will be advised accordingly.
 - (ii) **Established complaint:** Action will be taken with regard to cancellation of the concerned appointment after the due process as applicable.

7. Amendment/ Modifications

Company reserves right to amend / modify / delete or add any of the above terms and conditions at their sole discretion. Applications submitted strictly not in line with the above guidelines will be liable for rejection without assigning any reasons.

8. Termination of the Contract

The contract can be terminated by HPCL/either party by giving one month notice to the other party or upon severe breach of agreement without any notice as per conditions of the contract. The contract will come to an end at the expiry of notice period or contract period automatically.

Any Service Provider (Contractor) if after his appointment is issued an LOI for a Dealership or Distributorship of any Oil Company, he shall have to resign from the contract of service and operation of the COCO.

9. Agreement with the Service Provider :

The selected candidate will have to execute a standard agreement with HPCL and is required to abide by the terms and conditions thereof.

- i. The agreement with the service provider for the permanent COCO outlets will be for a period of three years, while for the temporary COCO outlets, it shall be for one year only or earlier till such time a regular dealer is appointed.
- ii. The contract can be terminated with one month's notice from either side.
- iii. The service provider shall be responsible for payment to staff employed by him for carrying out the operation of the outlet. The service provider would ensure compliance of all the Labour Laws and shall be responsible for any liability arising out of non-compliance of Labour Laws/Statutory requirements with regard to the staff engaged by him for operation of the outlet. Corporation will not be liable or responsible for any default that may arise due to non observance of laws/rules on the part of the service provider.
- iv. This provision has to be complied with, in consultation with the legal department of the respective Zone to ensure that there is no liability, on this account, to the Corporation.

10. Manpower requirement/Compensation & Remuneration:

The manpower for day to day operations will be provided by the Service Provider. The manpower to be provided would be as follows:

A. Mandatory Manpower:

- | | |
|-----------------------|---------------------------------------|
| a. Fore Court Manager | One in General Shift. |
| b. Cashier | One for two islands (Max.2 per shift) |
| c. Driveway sales men | One per D/u or 2 per MPD per shift |
| d. Air Tower Boy | One per shift in day shifts only |
| e. Security | One per shift |
| f. House Keeping Boy | One in General Shift |

B. Additional Manpower

- | | |
|---------------|----------------------|
| a. Accountant | One in General Shift |
|---------------|----------------------|
- (wherever the COCOs are selling more than 150 KL TMF)

C. Additional for Club HP Outlets:

- | | |
|------------------------------|----------------------------------|
| a. Quick Care Point Mechanic | One in General Shift |
| b. Windscreen cleaning boy | One per shift in day shifts only |

The actual deployment of manpower can however be fine tuned by the Regional Manager / Officer In-charge of the COCO. 15% relief to be considered on the above number of manpower (Item No. **A and C**) to provide the weekly off, which is mandatory.

- For the purpose of arriving at minimum wages, the operating staff are categorized as follows:

i.	Cashiers, Fore Court Managers	Skilled
ii.	Driveway Sales Men / QCP Mechanic	Semi– Skilled
iii.	Air boys, Windscreen boys, Security, House keeping boys	Unskilled

- Payment to be made to the service provider for actual manpower provided as per minimum wages as applicable in the respective state for different categories along with PF at applicable rate; ESIC; Gratuity; Bonus; Service Tax and any other statutory payment duly certified by the officer of the corporation.
- Fixed Lumpsum Amount per month: Rs 15,000/- lump sum
- **Incentives:** In addition to lumpsum payment of Rs.15,000/- as above, following variable incentives will be paid.
 - (i) **For sales > 100 kl and upto / equal to 175 kl per month:** Rs 60/- per kl for sales beyond 100 kl.
 - (ii) **For sales > 175 kl and upto / equal to 250 kl per month:** Rs 80/- per kl for sales beyond 175 kl.
 - (iii) **For sales > 250 kl per month:** Rs 100/- per kl for sales beyond 250 kl.

Note: Sales would mean upliftment from supply locations viz., Terminals/depots/TOPs etc.

- All the expenses for running the retail outlet would be borne by HPCL including Electricity; Water; Telephone; Stationery; Staff Uniform; etc.
- **Product Loss** on account of evaporation and handling losses upto 0.59 % in MS and 0.15 % in HSD of total actual sales made at the outlet will be absorbed by HPCL. Any losses beyond the ceiling as mentioned above will be borne by the contractor and the same would be adjusted / recovered by HPCL on a monthly basis. The losses on month to month basis will be calculated based on the actual sales volume and the prevailing retail selling price of the outlet.

11. Selection of Service Provider :

- i. The selection of service provider shall be after advertisement in two newspapers having wide circulation. Copy of Advertisement will be hosted on the website of HPCL and the notice board at the concerned COCO/Offices of the Oil Companies.
- ii. The minimum qualifying marks will be 50%
- iii. **Interview** : The selection of candidate will be made by a committee of three officers of minimum D/E grade (committee headed by at least E grade officer), to be nominated by the Zonal Head. Committee will evaluate the candidates on the basis of documents submitted by the applicants alongwith the application (and after verification of the same from the original) and performance during

interaction/interview. Concerned Regional Manager will not be part of the Interview Panel.

- iv. **Results of the Interview:** After completion of the interview, the result alongwith detailed marks scored will be displayed on the notice board of the interviewing location. This list will contain the names of all the candidates who appeared for the interview in descending order of marks scored as a percentage of “applicable marks” for that category, alongwith the details of marks scored by each candidate under various parameters.

If none of the candidates scored the minimum qualifying marks, then the location will be declared as “no candidate found suitable”. Otherwise a maximum of 3 candidates starting with Sr. No. 1 in the list published on the notice board will be treated as included in the ‘merit panel’ for award of service providership for that location. The names of persons included in the ‘merit panel’ will be highlighted in the published list in Bold letters and also in some colour (for eg. Red) for easy identification. The marks awarded by selection committee to the candidates in the merit panel, displayed on the notice board by the selection committee, are subject to scrutiny by a senior officer of the Corporation, who will subsequently submit his scrutiny report to Head Zone. The merit panel so displayed by the selection committee after the interview would be considered as Final only after scrutiny of marks is conducted by the senior officer of the Corporation and found to be in order by Head Zone.

- v. The Service Provider will not be the landlord of the concerned COCO Retail Outlet site or an existing Dealer/Distributor/LOI holder of any Oil Comp. Multiple Dealership Norms as applicable for selection of dealer/distributorships shall apply for this purpose.
- vi. In the event of the Service Provider getting an LOI for any Oil Company dealership/distributorship, the Contract may be terminated by HPCL.

12. **General terms and conditions for operation of COCOs by Service Provider:**

- i. The Service Provider will ensure observance of all the Quality and Quantity Control norms as per Marketing Discipline Guidelines 2005 and any subsequent guidelines, as well as all the requirements of Club HP Standards at Club HP Outlets. All COCOs will be subjected to 3rd party Surveillance Audit as developed by HPCL
- ii. Maintenance of the Outlet and Equipment shall be responsibility of the Corporation while Service Provider will be responsible for proper upkeep, cleanliness and house-keeping of the outlet.
- iii. The Service Provider shall be given Quarterly targets in the beginning of each quarter, in cases where the targets are not met, the same will be critically reviewed by the Regional Manager and suitable action taken.
- iv. The Service Provider shall operate the outlet only in the name of our Corporation and shall not operate the same under his name and style or under any other name.
- v. The Service Provider shall execute **an irrevocable letter of under taking** to the effect that no claim on the dealership will be made in future, in view of having

awarded this labour contract on adhoc / temporary basis for operation of the retail outlet.

- vi.** The Service Provider shall execute an Agreement as stipulated by the Corporation. He shall abide by, observe and fulfill all the obligations as imposed under the Service Provider agreement.
- vii.** This arrangement of appointment as Service Provider on temporary basis can be terminated by either party, that is to say, the Corporation as well as by the Service Provider with one month notice to the other party at any time. This arrangement shall not confer the Service Provider any right to claim permanent dealership or permanent Service Provider for the aforesaid retail outlet at any time nor for any other rights in respect of any other job contract.
- viii.** The Service Provider will be granted a mere leave and permission to enter upon the site only for the purpose of conducting the business at the retail outlet in the name of the Corporation and for no other purpose.
- ix.** The premises of the retail outlet shall be deemed to be in the possession of the Corporation and one or more representatives of the Corporation shall always have the right to be in the premises of the outlet.

Application form and **Appendix A & A1** for Service providers at COCOs are available at the website www.hindustanpetroleum.com . You can also [click here](#) to directly download the application form.