



HINDUSTAN PETROLEUM CORPORATION LIMITED

LUBE DISTRIBUTOR SELECTION GUIDELINES (w.e.f. 15th June 2017)

Introduction:

In order to establish presence in Bazaar market, HPCL has been appointing Lube Distributors since 1999. The following selection guidelines are applicable for appointment of Lube Distributors by HPCL for selling “HP Lubricants” in Bazaar market.

Content:

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B. Application Guidelines

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E. LOI & Responsibility of Distributor All the sections are elaborated as below:

A. Newspaper Advertisement:

The locations where HPCL wishes to appoint Lube Distributors will be advertised in Newspaper giving details like location, district, expected minimum volume etc. Further details on modality to apply and method of selection are uploaded on website www.hindustanpetroleum.com (Under HP Lubricants section) which can be referred to by applicants.

B. Application Guidelines:

The Lube Distributor Selection Guidelines has been uploaded on HPCL website www.hindustanpetroleum.com (Under HP Lubricants section) and provides detail



guidelines regarding the entire aspects of Lube Distributor appointment process. Salient details are as under:

I. Eligibility criteria :

Who can apply?

An applicant can be an individual, a proprietorship firm, a partnership firm, a registered co-operative society or a Limited company (both public and private).

The eligibility criteria for the applicant/s are shown below.

a. Common for all types of Applicants:

1. Strong financial background and ability to generate a minimum of Rs.50 Lakhs in working capital on continuous basis for all states except advertised locations from states of Tamil Nadu / Pondicherry / Odisha / Bihar / Jharkhand / North East States / Madhya Pradesh / Chattisgarh & Uttar Pradesh wherein a minimum of Rs. 25 Lakhs in working capital on continuous basis is required.
2. Preferred Professional Experience of managing a Distribution Network in the field of Lubricants / FMCG / Tyres / Batteries / Auto Spares or any other related business.
3. Should possess strong business acumen and sales and marketing capabilities - managing sales force, ability to generate leads, selling skills, technical competence, etc. Knowledge of local market is necessary
4. Ready availability of Office & covered Godown at a prominent place close to Lube Markets. In case not available, capability to provide for same within 45 days of the selection.
5. Applicant should not have any criminal record. All applicants need to submit affidavit in prescribed formats (Appendix (A1 / A2 / A3) as applicable as per type of applicant, attached with application form) regarding same. The following provision should be noted:

NON-CONVICTION: Candidates convicted for any criminal offence and those against whom charges have been framed by a Criminal Court would not be eligible for distributorship and if such a candidate is allotted



the distributorship by suppression of information, it will be cancelled even after appointment as a DISTRIBUTOR.

6. Applicant should submit affidavit (Appendix (A1 / A2 / A3 / A4 as applicable as per type of applicant). Also necessary credit worthiness certificate as per prescribed format (Appendix A5) should be submitted in case source of fund is loan from bank or financial institution.
7. HPCL's any terminated dealership / distributorship (e.g. Lube Distributors / CFA / Retail Outlet Dealer / LPG Distributor etc) , who have been terminated in the past, are not eligible to apply. All applicants must attach **self-declaration** mentioning that they have not been terminated from HPCL Dealership / Distributorship anytime in the past. Similarly HPCL Ex-Lube Distributors who have resigned in last five years preceding the date of current advertisement are not eligible to apply. The applicant must mention not having resigned from HPCL Lube Distributorship in past five years from the application date in the same **self-declaration** and attach the same to the application form.
8. Candidates who have their own Lubes or Greases manufacturing facility are not eligible to apply.
9. All applicants must attach a signed copy of the Draft Distributorship agreement (after downloading from website) and attach the same along with the application form, as an acceptance of the terms of the agreement.
10. Applicant, selected for the Lube Distributorship will be a full time working Distributor.

Additional eligibility criteria for specific applicant type:

b. Applicable for Individual / Proprietorship firm Applicants:

11. Indian by Nationality.
12. Not less than 21 years and not more than 60 years of age as on the 1st day of the month of advertisement.
13. Minimum pass in Matriculation / SSC or recognized equivalent. Preference for qualified professionals.

c. Applicable for Partnership Firm applicants:



Partnership firms having maximum four partners are eligible to apply. In case you belong to such a Partnership firm, every partner should submit separate application form giving cross reference of the partners' application form number. While submitting the filled forms, application forms of all partners should be clubbed together and inserted in one envelope only. If called for interview, all the Partners must appear for interview together. Partnership deed is required to be submitted along with the application form. For proposed partnership firms (having maximum four partners), draft Partnership deed is required to be submitted along with the application form. Partnership deed (even for proposed deed) should not include any limited liability to the firm and to the individual partners.

In addition, every Partner should individually meet the below additional eligibility criteria (in addition to common eligibility criteria for all types of applicant):

- Indian by Nationality.
- Not less than 21 years and not more than 60 years of age as on the 1st day of the month of advertisement.
- Minimum pass in Matriculation / SSC or recognized equivalent. Preference for qualified professionals

d. Applicable for Registered Co-operative Society applicants:

In case of applicants belonging to Registered Co-operative society, the following additional eligibility criteria are applicable (in addition to common eligibility criteria for all types of applicant):

14. The Society must be registered under relevant Co-operative society act and submit copy of registration certificate.
15. Only Co-operative Societies making a net profit (profit after tax) for the previous three consecutive financial years are eligible to apply. Copies of audited Balance Sheet and Profit & Loss statements for last three years are to be enclosed.
16. The Co-operative Society must pass appropriate resolution (copy to be attached) authorizing the person (not less than Director Level) filling the application form and appearing for interview to do so on behalf of the Society.
17. In case of Co-operative society, the age and education qualification criteria will not be applicable.



e. Applicable for Limited Company applicants:

In case of applicants being Limited Company, the following additional eligibility criteria are applicable (in addition to common eligibility criteria for all types of applicant):

18. The Company must be registered in India under relevant Companies Act and submit copy of registration certificate. In addition, copies of memorandum and article of association of the company should also be submitted. The memorandum should include clauses which enables the company to carry out the business of Lube Distributorship as per advertisement.
19. Only Companies making net profit (profit after tax) for the previous three consecutive financial years are eligible to apply. Copies of audited Balance Sheet and Profit & Loss statements for last three years are to be enclosed.
20. The Company must pass appropriate resolution authorizing the person(s) (not less than at least one Director Level) filling the application form and appearing for interview to do so on behalf of the Company. Copy of the resolution must be submitted along with the application form.
21. In case of Limited company, the age and education qualification criteria will not be applicable.

II. Provision of minimum* infrastructure facilities and manpower required for operating the Distributorship:

An applicant has to provide following minimum* facilities and manpower for the Distributorship:

a. Facilities:

1. Covered godown (min. 500 Sq. Ft) – Either owned or rented or leased
2. Office space (min. 150 Sq. Ft) – Either owned or rented or leased

For both Godown & Office space, the applicant needs to submit

1. Owner-ship details if owned by applicant.
2. In case owned by any of the family members (Family as defined in the selection guidelines), a willingness letter from the said family member in whose name the site is available to provide the same for use of Lube Distributorship, if the applicant is selected along with land ownership documents.



3. If leased/rented, the same should be for a minimum period of five years. Attach copy of registered agreement.

3. Computer with software
4. Broadband Internet
5. e-mail
6. Printer
7. Telephone
8. Two Tempos / Trucks for locations from all states except locations from Tamil Nadu / Pondicherry / Odisha / Bihar / Jharkhand / North East States / Madhya Pradesh / Chattisgarh & Uttar Pradesh wherein minimum one tempo / truck is required to be owned by applicant or leased

(Kindly note that the delivery vehicles should be having minimum capacity of 1 MT and should not more than 5 years old. In case owned by applicant, should provide copies of RC book with application form to establish ownership. If leased, relevant leasing documents should be attached to application form. In case not available, detailed plans to arrange for same within 45 days of receiving LOI should be provided.)

b. Manpower:

1. 3-4 Salesmen for applicants from all states (except locations from Tamil Nadu / Pondicherry / Odisha / Bihar / Jharkhand / North East States / Madhya Pradesh / Chattisgarh & Uttar Pradesh wherein minimum 1-2 Salesman) is required
2. 1-2 Office Staff
3. 1-2 Loading Persons

*Note: The above is minimum requirement for meeting the minimum volume criteria for the location. In case of further growth in market potential, the distributor is expected to augment the infrastructure facilities, manpower and working capital as per advice of HPCL.

III. Provision of minimum* financial requirement for operating the Distributorship :

- a. As mentioned earlier, an applicant has to be able to provide minimum* of Rs 50 Lakhs (minimum Rs. 25 Lakhs for locations from states of Tamil Nadu / Pondicherry / Odisha / Bihar / Jharkhand / North East States / Madhya Pradesh / Chattisgarh & Uttar Pradesh) in working capital on continuous basis for operating the Distributorship. In order to establish this, the



applicant has to produce details along with specified documentary evidence as per below format:

*Note: The above is minimum requirement for meeting the minimum volume criteria for the location. In case of further growth in market potential, the distributor is expected to increase the working capital as per requirement.

Fund Type	Fund Details	Amount (Rs. Lakhs)	Attachment
Liquid Funds	Liquid Funds (Savings /Current Account / FD/RD/NSC/ Matured PPF account / Govt. Securities/Any other liquid deposits)		Documents of ownership
Other than Liquid Funds	Un-encumbered Fixed Assets for raising Loans		Documents of ownership
	Loans from Family members with commitment letter & details of assets		Appendix A4
	Commitment Letter from Bank/Financial Institution with Loan amount		Appendix A5
	Any other funds viz. shares/mutual funds/Stock-in Trade with documentary evidence		Documents of ownership
	Total Amount		

Detailed Elaboration:



Applicable conditions for considering above mentioned forms of fund are detailed hereunder:

a) Liquid Funds

This includes

1) Savings Bank / Current Account

Three month's average of the highest monthly balance including month of advertisement with one day prior to the date of release of advertisement in the applicant's Saving Bank / Current Account. The month in which the advertisement is released will be treated as current month. Month means calendar month, and "Last three months" means past three months including current month upto one day prior to date of advertisement. In case no entry is found for a particular month, previous month closing balance will be treated as highest balance for the instant month. Illustration as under:

Say: Date of Advertisement: 11th August 2016 and bank account statement of an applicant shows the following:

Date	Daily Bal (Rs. Lakh)	Max Bal (Rs Lakh)
11 June 2016	72.15	72.15
30 June 2016	23.16	
07 July 2016	52.18	52.18
27 July 2016	23.00	
10 August 2016	56.00	56.00
August will be considered up to one day prior (i.e. upto 10 th Aug in this case) to date of advertisement		
Sum of Max. Balances		180.33
Average of maximum balances		60.11

2) FD / RD / NSC / Matured PPF Account / Govt. Securities / Any other liquid deposits

Date of all deposits should be prior to the date of Advertisement. All the deposits should be in the name of applicant and valid as on the date of interview. Insurance policies should not be considered for evaluation.

b) Bank Offer Letter



An offer letter from scheduled bank (Appendix 5 of application form) indicating the amount of support likely to be extended in case applicant is awarded with HPCL Lube Distributorship. It should be clearly indicated that this amount of support should be in addition to the existing facilities the customer is enjoying from the bank. The date of Bank Letter should not be prior to the date of advertisement and should also indicate the relationship (type and period) bank is holding with the applicant. The offer letter should be duly signed by an appropriate authority of the concerned bank on the bank letter head. The above mentioned document should be submitted in original only if applicant/s have shown source of fund from scheduled bank.

c) Unencumbered Fixed Assets

Any property in the form of land or along with superstructure on which bank loan can be raised. A CA certificate indicating that the same is unencumbered and a bank certificate / government approved valuator's certificate stating the amount of loan that can be raised on the property by pledging should be submitted. The property to be in the name of applicant. Date of the above mentioned certificate / report should be not before the date of advertisement.

d) Shares, Mutual Funds

The Shares and Mutual funds should be in the name of applicant, and certificate from a CA indicating the market value of the instruments having date after the date of advertisement. The certificate should also provide the list of such Shares/Mutual funds. Applicant should indicate his intention of liquidating the same for the purpose of raising working capital through a letter.

e) Valuation Certificate from a CA

A CA certificate can be produced in lieu of the above (a), (b), (c) & (d) only and date of certificate should be after the date of advertisement. The certificate should also provide the list of such assets which are valued by the CA along with all relevant documents pertaining to the assets certified. The CA certificate should also mention that none of these assets are pledged/hypothecated/mortgaged. Jewelry will not be considered under any asset class.

f) Affidavit from family members

Family includes: I.

Spouse

II. Parents

III. Children

IV. Spouse
V. Grand Parents



- VI. Grand Parents of spouse
- VII. Siblings of applicant and their spouses
- VIII. Siblings and their spouses of applicant's spouse

Please note Cousins will not be considered. Also siblings and children above 18 years will only be considered.

An affidavit (refer Appendix 4 of application form), dated not before the date of advertisement, has to be obtained from the above specified family member intending to extend financial assistance to the applicant indicating the amount of support likely to be extended. The affidavit should be unconditional. The family member should provide necessary documentary proof in support of their financial capability, in line with (a), (c), (d) & (e) mentioned above and last three years' Income Tax returns.



- b. For location/s from states of Tamil Nadu / Pondicherry / Odisha / Bihar / Jharkhand / North East States / Madhya Pradesh / Chattisgarh & Uttar Pradesh; minimum funds required is Rs. 25 Lakhs & out of which minimum Rs. 2.5 Lakhs must be in liquid funds. For all other states other than mentioned above minimum Funds required is Rs 50 Lakhs & out of this minimum Rs 5 Lakhs must be in Liquid Funds. Also it should be noted that Liquid funds will have higher weightage in the evaluation of applicants. For details, please refer marking illustration section.
- c. All the above Funds must be held in the name of the applicant. In case the assets are held jointly by the applicant along-with other family members (Family as defined in this section above), NOC from the other holders of the assets should be submitted.
- d. Jewelry will not be considered under any asset class.
- e. In case of Companies, the above evaluation will be only for stand-alone company and not for either its holding or subsidiary or JV companies.
- f. In case of Balance Sheet evaluation, accounts receivables and stock-intrade will not be considered as liquid assets but can be considered under "Other than Liquid Funds (any other funds)"

IV. **Other Application Guidelines:**

- a. There is no Application Fee.
- b. **Multiple Distributorship Norms:**

If an applicant, who is not an existing HPCL Lube Distributor, is applying for lube distributorships at two or more different locations, he/she must submit separate applications for each distributorship and should meet all eligibility criteria for individual locations. In addition, the candidate has to declare the same clearly in every application form submitted by the candidate. It must be understood that even if an applicant is applying for multiple locations, on being selected for Distributorship at multiple locations, the candidate will be offered to choose maximum two locations of his choice and forgo the balance locations. Also to be eligible for the Distributorships at two preferred/selected locations, the candidate must meet minimum financial, infrastructure, manpower and other statutory requirements separately for both locations. In case the applicant is already holding Lube Distributorship OR Lube CFA (including existing partnership firm if any) of HPCL, the multiple distributorship norms of maximum two Distributorships will be applicable for the applicant including the counts of existing Lube Distributorships / CFA's. i.e. if the applicant is already holding two Lube



Distributorships or two Lube CFA or one Lube Distributorship & one CFA, then the applicant will not be eligible to take up any more HPCL Lube Distributorships.

- c. Candidates should ensure attachment of all relevant documents / certificates / declarations (Original) / undertakings (Original) / affidavits (Original) with the application forms. For documents whose photocopies have been submitted in the application form, original copies are to be produced at the time of Interview for verification.
- d. Application forms must be submitted on or before due date. Forms received after due date/time will be summarily rejected. Similarly, incomplete application forms, forms submitted without relevant attachments will be rejected.
- e. No additions / deletions / corrections will be permitted in the Application form once it is submitted, unless specifically asked for in writing by HPCL and submitted by the applicant in writing within specified period as mentioned below.
- f. Applicants must note that attaching all relevant documents / certificates / declarations (Original) / undertakings (Original) / affidavits (Original) / signed-draft Distributorship agreement etc. is must with the application. In case HPCL needs any further clarifications from applicant during scrutiny of application form, a written request by HPCL will be made to the applicant and applicant also has to make a written reply within 15 days of such letter date.
- g. Candidates should be capable of entering in to a contract as per contract's act.
- h. If any statement made in the application or in the documents enclosed therewith or subsequently submitted in pursuance of the application by the candidate at any stage is found to be incorrect or false, his/her application is liable to be rejected without assigning any reason and in case he/she has been already appointed as a distributor, his/her distributorship is liable to be terminated. In such cases, the candidate/distributor shall have no claim whatsoever against HPCL.
- i. HPCL reserves the right to cancel / withdraw / amend the advertisement and terms thereof or extend the due date at its sole discretion without assigning any reasons.
- j. The details provided in this selection guideline are only for the information and HPCL reserves the right to amend, modify, delete or add any terms and



conditions at its sole discretion. Decision of HPCL will be final and binding on all concerned with respect to selection of Lube Distributor.

- k. HPCL shall be the final authority for giving any clarification or interpretation on the contents given in this selection guideline, if need be and at its own discretion. HPCL cannot be held responsible for any loss or damage or consequences from misunderstanding or misinterpretation of the contents in this selection guideline. HPCL may revise the contents of this selection guideline from time to time without giving any notice.

C. Pre-Qualification Guidelines (PQC):

All candidates / submitted applications will be subject to pre-qualification evaluation criteria as per following parameters for shortlisting:

- I. Declared financial resources and investible funds: Meeting minimum requirement as per eligibility criteria (Rs 50 Lakhs) out of which minimum Rs. 5 Lakhs should be in the form of liquid funds and supported by all relevant documents / appendix. For location/s from states of Tamil Nadu / Pondicherry / Odisha / Bihar / Jharkhand / North East States / Madhya Pradesh / Chattisgarh & Uttar Pradesh; minimum funds required is Rs. 25 Lakhs & out of which minimum Rs. 2.5 Lakhs must be in liquid funds. (Shown in Sr. No 22 of application form). Candidates not able to meet the minimum eligibility, will not be eligible to appear for interview.
- II. Nationality, Age & Education for individual / proprietor / partnership firm to meet eligible criteria. For companies, should be registered under Cos. Act of India.
- III. Non-conviction criteria for all categories as per relevant appendix (A1 / A2 / A3 as applicable as per type of applicant).
- IV. Multiple Distributorship norms as per this guidelines for existing Lube Distributors/CFAs (including existing partnership firm if any) of HPCL who have also applied for new Distributorship.
- V. Every partner individually meeting all the eligibility criteria on Indian Nationality / Age & Education Qualification and submitting separate application form giving cross reference of the partner's application form number/s.
- VI. Minimum Rs 50 Lakhs/year Profit-making criteria for Co-operative societies / Limited companies for past three years. For locations from states of Tamil Nadu / Pondicherry / Odisha / Bihar / Jharkhand / North East States / Madhya Pradesh / Chattisgarh & Uttar Pradesh; minimum Rs. 25 Lakhs /year



Profitmaking criteria for Co-operative societies / Limited companies for past three years.

- VII. Ex-HPCL Lube Distributor criteria as per Sr. No 8. of application form.
- VIII. Own Lubes/Greases manufacturing facility criteria as per Sr. No 9 of application form.
- IX. To attach a signed original copy of the Draft Distributorship agreement (after downloading from website) to the application form before submitting the form as an acceptance of the terms of the agreement.
- X. Submission within due date is must. No application form will be accepted after cutoff date/time.
- XI. Forms should be complete in all respect.

D. Interview & Evaluation Criteria :

- I. Those candidates found eligible after scrutiny & PQC evaluation will be called for interview. Applicants found ineligible, will be informed through a regret letter.
- II. All eligible candidates will be evaluated on following parameters as per below evaluation guidelines:

Sr. No	Description	Weightage (Marks)
1	Educational Qualifications	10
2	Personality	10
3	Professional Experience / Business Ability	30
4	Capability to provide Infrastructure	15
5	Capability to arrange Finances	35
Grand Total		100 Marks

- III. The minimum qualifying marks for a candidate to be considered is 50.

Evaluation of Parameters:

1. Educational Qualifications (Max Marks 10)

Basis the education qualification proof provided by the applicant with the application form and original proof shown during the interview, the following marks will be awarded:



- (a) Post-graduation in Management / Diploma in Management from IIM / Graduation in Engineering / Graduation in Law / Chartered Accountant : 10 Marks
- (b) Post-graduation in any other field not covered in (a) above / Graduation in other Professional course not covered in (a) above / Cost Accountant / Company Secretary: 7 Marks
- (c) Graduation in any other field not covered in (a) & (b) above / Diploma in Engineering: 5 Marks
- (d) 10+2 or Equivalent : 2 Marks
- (e) Matriculation : Nil Marks

In case of applicants like companies, societies etc., the marks under Educational Qualifications shall not be applicable. In such cases, the marks on other criteria (out of 90 marks) will be pro-rated to equivalent marks out of 100 marks

2. Personality (Max. Marks 10)

The assessment of the candidate on the following parameters based on observations and leading questions during the interview:

- (a) Communication Skills / Self-Confidence : 5 marks
- (b) Enthusiasm / Energetic / Positive Attitude : 5 marks

3. Professional Experience / Business Ability (Max Marks 30)

Marks would be awarded based on application details / project report / leading questions with regard to earlier handling of business as well as response to specific situations related to queries as under:

- (a) Experience in Lube trade / FMCG / Auto parts : 7

Experience in Transport / Automobile : 5

Any other selling experience : 3

b) Quality of experience : 3



c) Knowledge of Local market (Lubes or others) : 5

d) Quality of Business Plan submitted : 10 e) Skills of managing Distribution Business : 5

(FMCG Model)

4. Capability to provide infrastructure and related facilities (Max Marks 15):

Marks would be awarded based on application details & documents submitted

- a) Ready Godown / Office available on ownership : 15 meeting HPCL requirements in full
- b) Ready Godown / Office available on Lease / Rent : 10 meeting HPCL requirements in full
- c) Committed letter / offer on infrastructure : 5

5. Capability to arrange Finances (Max marks 35)

Evaluation is basis declared financial resources and investible funds meeting minimum requirement as per eligibility criteria (Either Rs. 50 Lakhs or Rs. 25 Lakhs depending on the state of location advertised) and supported by all relevant documents / appendix (shown in Sr No 22) of application form as under:

Fund Type	Fund Details	Amount (Rs. Lakhs)	Maximum Marks	Marking Criteria
Liquid Funds	Liquid Funds (Savings / Current Account / FD/RD/NSC/ Matured PPF account / Govt. Securities/Any other liquid deposits)		20	If > = Rs. 30 Lakhs; marks = 20
				If > = Rs. 20 Lakhs and < Rs. 30 Lakhs; marks = 15
				If > = Rs. 10 Lakhs and < Rs. 20 Lakhs; marks = 10
Other than Liquid Funds	Un-encumbered Fixed Assets for raising Loans			For Balance 15 marks please refer section below
	Loans from Family members with commitment letter & details of assets			
	Commitment Letter from Bank/Financial Institution with Loan amount			
	Any other funds viz. shares/mutual funds/Stock-in Trade with documentary evidence			



Total Funds (Liquid + Other Than Liquid)	Total Amount		15	Total funds \geq Rs. 65 Lakhs; Marks 15
				Total funds \geq Rs. 60 Lakhs and $<$ Rs. 65 Lakhs; Marks 13
				Total funds \geq Rs. 50 Lakhs and $<$ Rs. 60 Lakhs; Marks 10
	Grand Total Marks		35	
This table applies to all locations wherein minimum finance requirement is Rs. 50 Lakhs.				

Marking Illustration:

Marking illustration shown below considering locations wherein minimum financials requirement is Rs. 50 Lakhs.

Illustration 1:

Liquid Funds = Rs. 40 Lakhs, Non Liquid Funds = Rs. 30 Lakhs. Hence total funds = Rs. 70 Lakhs

- Liquid Funds marks = 20 (since it is $>$ Rs. 30 Lakhs)
- Balance Marks = 15 (since total funds shown is Rs. 70 Lakhs which is $>$ highest slab of Rs. 65 Lakhs) Hence Total marks for finance = 35

Illustration 2 :

Liquid Funds = Rs. 20 Lakhs, Non Liquid Funds = Rs. 42 Lakhs. Hence total funds = Rs. 62 Lakhs

- Liquid Funds marks = 15 (since it is \geq Rs. 20 Lakhs)
 - Balance Marks = 13 (since total funds shown is Rs. 62 Lakhs which is $>$ Rs. 60 Lakhs – middle slab)
- Hence Total marks for finance = 28

Illustration 3 :



Liquid Funds = Rs. 10 Lakhs, Non Liquid Funds = Rs. 40 Lakhs. Hence total funds = Rs. 50 Lakhs

- Liquid Funds marks = 10 (since it is = Rs. 10 Lakhs)
- Balance Marks = 10 (since total funds shown is Rs. 50 Lakhs which is = lowest slab of Rs. 50 Lakhs)

Hence Total marks for finance = 20

For locations under Bihar / Jharkhand / Odisha / North East States / Madhya Pradesh / Uttar Pradesh / Chattisgarh & Tamil Nadu / Pondicherry state/s the minimum financials requirement is Rs. 25 Lakhs and the marking will be as per following table:

Fund Type	Fund Details	Amount (Rs. Lakhs)	Maximum Marks	Marking Criteria
Liquid Funds	Liquid Funds (Savings / Current Account / FD/RD/NSC/ Matured PPF account / Govt. Securities/Any other liquid deposits)		20	If > = Rs. 15 Lakhs; marks = 20
				If > = Rs. 10 Lakhs and < Rs. 15 Lakhs; marks = 15
				If > = Rs. 5 Lakhs and < Rs. 10 Lakhs; marks = 10
Other than Liquid Funds	Un-encumbered Fixed Assets for raising Loans			For Balance 15 marks please refer section below
	Loans from Family members with commitment letter & details of assets			
	Commitment Letter from Bank/Financial Institution with Loan amount			
	Any other funds viz. shares/mutual funds/Stock-in Trade with documentary evidence			
Total Funds (Liquid + Other Than Liquid)	Total Amount		15	Total funds >= Rs. 32.50 Lakhs; Marks 15
				Total funds >= Rs. 30 Lakhs and < Rs. 32.50 Lakhs; Marks 13
				Total funds >= Rs. 25 Lakhs and < Rs. 30 Lakhs; Marks 10
	Grand Total Marks		35	
This table applies to locations from Bihar / Jharkhand / Odisha / North East States / Madhya Pradesh / Uttar Pradesh / Chattisgarh / Tamil Nadu & Pondicherry state/s only				



- IV. Provisional Merit Panel will be published on the same day of interview (in case interview is over on same day OR next day if interview spills over to next day) in the notice board of concerned Regional Office. Also the signed copy of Provisional Merit Panel will be uploaded on HPCL website.
- V. In cases where same candidate becomes first empaneled candidate at two or more locations:
1. In case same candidate, who is not an existing Lube Distributor of HPCL, figures in the top of the merit list at more than two locations, the candidate will be contacted in writing by concerned HPCL Office, giving him the option to select any two locations of his choice and also asking him to provide details of minimum financial, infrastructure and manpower requirements separately for both locations as per application guidelines. Candidate should confirm in writing his preferred two locations and provide details of minimum financial, infrastructure and manpower requirements separately for both locations along with all relevant documents as per application guidelines. For the location(s) from which the first empaneled candidate has opted out, the second empaneled candidate in the merit list will be considered.
 2. In case same candidate, who is already an existing Lube Distributor or Lube CFA of HPCL at any one location, figures in the top of the merit list at two or more locations, the candidate will be contacted in writing by concerned HPCL Office, giving him the option to select any one location of his choice and also asking him to provide details of minimum financial, infrastructure and manpower requirements for the new location which is in addition to same required for the existing Distributorship. For the location(s) not opted, the second empaneled candidate in the merit list will be considered.
 3. The above are formulated in line with multiple Lube Distributorship norms.
- VI. In cases where multiple candidates have same scores after interview:
1. In such cases, the candidate who has scored more marks in following order will be placed higher than others:

Preference Order	Description
1	Capability to arrange Finances
2	Professional Experience / Business Ability
3	Capability to provide Infrastructure
4	Personality



5	Educational Qualification
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Illustration: The candidate who has scored more marks in Finance will be placed above others. In case even Finance marks also are same, then the candidate who has scored more marks in Professional Experience/Business Ability will be placed above the other. In case still not resolved, it will follow the sequence shown above for further evaluation. Even after all five criteria have been checked, if the candidates are still at same level, then one showing more Funds will get preference.

E. LOI & Responsibility of the Distributor:

I. Applicant, who is finally selected for the Lube Distributorship, will be issued a letter of intent (LOI) on submission of interest-free security deposit of Rs 2.0 Lakhs in the form of a local DD payable to HPCL. This security deposit to be submitted to HPCL within 30 days from the date of intimation letter for LOI. The candidate is expected to fulfill all LOI terms (please refer LOI format for details) within 45 days of the date of LOI, like:

- a) Facilities / Manpower (Pl. refer C.II.a & C.II.b)
- b) Financial (Please refer C.III)
- c) Arrange for Bank Guarantee of minimum Rs 5.00 Lakhs (pl. refer draft LOI)
- d) Statutory requirements like VAT registration and other requirements as per Government guidelines
- e) Any other requirement as per selection guidelines or as decided by HPCL from time to time

In case LOI holder is unable to fulfil any of the LOI terms, the LOI will stand withdrawn and the candidate will forfeit the security deposit. Then the second empanelled candidate will be considered for issuance of LOI.

II. As per the LOI terms, once all requirements are fulfilled within stipulated time from the LOI date, the security deposit of Rs 2.00 Lakhs will be refunded to the candidate. The candidate will then be issued a letter of appointment (LOA) for HPCL Lube Distributorship. The letter of appointment specifies the target for the Distributor as per following template:

“Please note that as HP Lube Distributor, you are expected to meet periodic sales targets. You will be allotted annual and monthly volume targets which for the current year/month is as under:

Target for FY: _____, Target for Month: _____



In order to meet the above targets, you are expected to enroll Bazaar Retailers in your assigned area, manage business with genuine oil partners, conduct periodic promotional campaigns and fulfil all other responsibilities as laid out in the agreement and policy advised from time to time. Your performance will be reviewed by Regional Office team from time to time.”

- III. Along with LOA, the candidate will have to execute distributorship agreement with HINDUSTAN PETROLEUM CORPORATION LIMITED. The distributorship agreement format can be downloaded from the website www.hplubes.com for information. It may be noted that, the agreement will be for a period of 5 Years wherein during the initial first year if the Distributor is unable to meet at least 50% of its assigned target then HPCL will terminate the Distributorship Agreement forthwith. If from second year onwards the performance of the Distributor is not in accordance with the performance standards as specified under clause 38 of the Agreement, then an opportunity for improvement will be given to the Distributor and if the Distributor fails to improve its performance standards, then the Distributorship Agreement will be terminated.
- IV. It may kindly be noted that in the initial period of one year, in case the Distributor is not able to meet at least 50% of the assigned target, the agreement will be terminated and also the Bank Guarantee amounting to Rs 5 Lakhs (submitted by the Distributor) may be encashed by HPCL in full or in part to adjust against any claims or damages to HPCL.
- V. The agreement can be renewed for further period of 5 years basis the Distributor fulfilling performance standards set by HPCL from time to time.
- VI. As HPCL Lubes Distributor, the candidate is expected to meet periodic sales targets, enroll Bazaar Retailers / fleet owners in the assigned area, manage business with genuine oil partners, conduct periodic promotional campaigns and fulfil all other responsibilities as laid out in the agreement and policy advised from time to time.
- VII. The distributor will be provided standard billing software (currently Tally) which the Lube Distributor must use for every transaction pertaining to the Distributorship.
- VIII. In case performance of the Distributor is not up to the mark as specified in clause 38 of the agreement and as per target / communication advised by HPCL from time to time, the agreement may be terminated as per relevant agreement clause 38.
- IX. A Lube Distributor shall not effect any change in its constitution whether in the identity of its sole proprietor or partners or in the deed of partnership in the



event of death/removal/resignation of any partner. Similarly in case of a Cooperative Society, it shall not effect any change in its constitution or bye laws without written prior approval of HPCL. If it is a company, it shall not cause or permit any change in MOM, AOA and substantial change in its Shareholding without informing and taking prior written approval of HPCL.
