

BHARAT PETROLEUM CORPORATION LIMITED



RETAIL HEAD QUARTERS

Policy Circular No.: RET/SALES/RESITEMENT-1 Date: 12.11.2014

GUIDELINES FOR RESITEMENT OF RETAIL OUTLET DEALERSHIPS

1. Resitement of a Commissioned dealership

- 1.1 Resitement of a commissioned dealership may be considered on the following grounds:-
- a) Road widending, diversion of road, realignment of existing road by a new one, road closure, closure of a particular traffic to the area, and any road related incidents beyond the control of dealer/distributor, viz. shifting of octroi post, etc.
- b) Increase in disparity in State taxes leading to rendering RO located at inter-state border areas unviable.
- c) Closure/acquisition of the existing site by a competent authority for reasons not attributable to dealer.
- d) Closure of nearby business activities, which were contributing to RO's revenue, rendering RO unviable.
- e) Dealer is forced to vacate existing site by the lessor or any authority after the dealer has exhausted all legal remedies up to High Court
- Where BPCL is unable to obtain legal redress to enable it to continue on the site and the legal department of the company confirms (a) we have no registered / valid lease / option available for the site (b) we have no protection under any local tenancy act and other Acts.
- 1.2 Resitement has to be with the same dealer.
- 1.3 The resitement will be permitted in the same Class of market within the same State except for cases covered in para 1.4 & 1.5
- 1.4 Resitement within State / UT boundaries (in any class of market) can be allowed in the following cases:-
 - For ROs meeting current resitement norms w.r.t road related developments at the site, acquisition of RO site / being forced to vacate / surrender the site, will be allowed resitement in any class of market within the State / UT boundaries.
 - ii. In all such cases, onus to provide land will be on dealer.



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- iii. In case of Corporation owned / leased sites, where Company has to vacate surrender the site, resitement will be carried out only after obtaining approval for surrendering the site from the Board / Sub-committee of the Board.
- iv. In other words, resitement on account of reasons not covered in para (i) above will continue to be governed by the norm of being within "Same Class / state".

1.5 For ROs located in Delhi:

ROs located in Delhi can be resited beyond Delhi also but within National Capital Region (NCR) limits, irrespective of class of market subject to following conditions:-

- i. For ROs meeting current resitement norms w.r.t road related developments at the site, acquisition of RO site / being forced to vacate / surrender the site.
- ii. In all such cases, onus to provide land will be on dealer.
- iii. In case of Corporation owned / leased sites, where Company has to vacate surrender the site, resitement will be carried out only after obtaining approval for surrendering the site from the Board / Sub-committee of the Board.
- iv. In other words, resitement on account of reasons not covered in para (i) above will continue to be governed by the norm of being within "Same Class / state".
- 1.6 Partial resitement of facilities will not be allowed.
- 1.7 However, Resitement norms will be applicable for each location (product specific) where partial resitement was undertaken prior to 17.11.2005 provided the proposal meets prevailing norms for resitement guidelines.
- 1.8 At the old partially resited outlets selling MS/HSD, addition of HSD/MS will not be permitted. However, there may not be any objection to addition of Branded MS to partially resited RO selling Normal MS and Branded HSD to partially resited RO selling normal HSD only.
- 1.9 Resitement with the sole objective of improvement of sales will not be permitted.
- 1.10 No resitement shall be made from the remote/low service areas without the approval of the Competent Authority.
- 1.11 No retail outlet in a monopoly market (a market which is not covered by National / State Highway and where there is no other Retail Outlet within a radius of 10 Kms) will be resited.
- 1.12 The dealership at the old locations shall be decommissioned before commissioning at the new site.



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2. Resitement at pre-Letter of Intent (LOI) / LOI stage

In the case of selected dealers, who are war widows and able to arrange suitable site at a location other than the originally advertised location, resitement within the same district shall be allowed at the pre-Letter of Intent (LOI) / LOI stage subject to viability of the location.

This supersedes all previous guidelines issued in this regard.

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