

**From:** panda rk (पंडा आर के) [pandark@bharatpetroleum.in]

**Sent:** Tuesday, August 01, 2017 8:13 PM

**To:** DL RET AI DEALERS

**Subject:** Clarifications on Revision in Dealers' Margin w.e.f. 1.8.2017



RSHQ.C2.201

1.08.2017

Dear Business Partner,

Further to our letter sent yesterday on revision of dealers' margin, we would like to clarify that Slab based margin has been introduced in following areas :-

**1. Business return**

Earlier this element was known as Dealers' remuneration. This was introduced in 2011. This was indexed to AICPI and will continue to be indexed.

Instead of per Kl uniform Dealer remuneration, Slab wise minimum Business Return has been introduced, which are as follows :-

Combined MS/HSD Volume / Month	Business Return
12-25 KL	: Rs. 12000/ month
26-50 KL	: Rs. 20000/ month
51 – 100 KL	: Rs. 24000/month
101-150 KL	: Rs. 26000/month
151-170 KL	: Rs. 27500/month
(The above amounts are fixed for the particular volume slab)	
171 Kl & above	: Rs. 201.76 per Kl of MS and Rs. 149.46 per Kl of HSD (This amount will grow in linear manner with increase in volume.)

**2. Manpower**

The slab-wise increase in Manpower costs are given below (This is due to consideration of central wages in lieu of state weighted wages):-

Combined MS/HSD Sales KL/PM	% increase * In Manpower Cost
≤ 400	49%
401 – 600	46%
601 – 800	43%
801 – 1000	40%
1001 - 1200	37%
1201 - 1400	34%
1401 - 1600	31%
1601 - 1800	28%
1801 - 2000	26%
2001 - 2200	24%
2201 - 2400	23%
2401 - 2600	22%
2601 - 2800	21%
≥ 2801	20%

\* Assumes a fixed ratio 1:3.25 for MS and HSD.

As regards non-slab based margins, there are two components as under:-

**1. Fixed Margin**

This Includes other operating costs, which have been revised as per the existing norms for revision. This also includes Return on Net Fixed Assets (NFA), which has been revised as recommended by IIM Bangalore. Obviously, Dealer Controlled (DC) sites would get higher return on their Net Fixed Assets.

**2. Variable Margin**

Variable margin includes Cost of product losses and Working capital, which are revised as per existing norms.

The above all put together has resulted in significant increase in Dealers' margin, which shall enable better upkeep and improved customer service at your Retail Outlet.

Thanking you,

Yours faithfully,

**Arun Singh**

**Executive Director (Retail) forward by M/S ARD PANRUTI**



**From:** panda rk (पंडा आर के) [pandark@bharatpetroleum.in]  
**Sent:** Tuesday, September 19, 2017 4:25 PM  
**To:** DL RET AI DEALERS  
**Subject:** Revision in Dealers' Margin w.e.f. 1.8.2017 : Clarification on Wages



19<sup>th</sup> September 2017

Dear BPCL Dealer,

**Revision in Dealer's Margin with effect from 1.8.2017 : Clarification**

Dear Madam/Sir,

This is further to our email dated 26.8.2017 on the subject matter, wherein we had outlined the wage payment to your retail outlet employees.

We would like to answer the queries received from a number of dealers in this regard, which are as under:

1. You are required to pay minimum wages and meet other statutory obligations as notified under Minimum Wages Act of your State, to all employees of your retail outlet.
2. To motivate the employees of Retail Outlets to provide better quality of service standards and to deliver the assurances given to customers in terms of quality, quantity, cleanliness and behavior on forecourt, it has been decided that you pay BPCL notified wages [arrived on the basis of weighted average of Minimum Wages as applicable for scheduled employments in the Central sphere (applicable for Construction workers)]. Accordingly, provisions have been made for BPCL notified wages in the revised Dealer's Margin w.e.f. 1.8.2017, to compensate the dealers in this regard.
3. In rare cases, where State Government notified minimum wages is higher than BPCL notified wages, State notified minimum wages are payable.
4. In view of the above, BPCL notified wages to be paid to all employees of your retail outlet w.e.f. 1.8.2017 are as under:

a.	Manager	Rs. 15189*
b.	Skilled Manpower	Rs. 13980
c.	Semi-Skilled Manpower	Rs. 12121
d.	Un-Skilled Manpower	Rs. 10717

- (\* i. Not under the purview of Central /State Minimum Wages;  
ii. For ROs selling lower volumes, where Dealer herself/himself may be working as Manager, this obviously shall not be applicable.)

5. As you are aware, besides the above monthly wages, the following are payable as per statutory provisions to employees working at your retail outlet, viz, PF (13.15%), ESIC (4.75%), Bonus (8.33%), Earned/ annual Leave (4.81%) and Gratuity (4.81%).

We would like to reiterate:

- a. Payment of wages for the month of August 2017 and onwards is required to be made through e-payment (RTGS/NEFT etc). To ensure e-payment, bank accounts may please be opened immediately, if not already done.
- b. You are requested to keep the wage register and e-payment details ready all the time for verification by officials of the Corporation.
- c. Further, employees of your Retail outlet are to be covered immediately, if not done already, for the following:
  - i. **PMSBY** (Pradhan Mantri Suraksha Bima Yojana).
  - ii. **PMJJBY** (Pradhan Mantri Jeevan Jyoti Bima Yojana).

In case the wages paid to employees for August 2017 is less than the amount notified by BPCL, as per the foregoing, the differential amount may please be paid latest by 26.9.17, positively.

Trust this will motivate your employees and shall result in improved customer services at your Retail Outlet.

Thanking You,



PPAC Report Average Through Put per Retail Outlet is 46 kL of Petrol and 107 kL of Diesel			
	From 01.08.2017		
	MS	HSD	
Volume	46	107	
Salaries & Wages	₹1,958.66	₹1,450.86	Amount derived from Page 47 of their Affidavit filed in Delhi High Court
Working 2 Shift only	2 Dispensing Units		OMC Notified Wages
Manpower Required			
Manager	1	₹20,557.00	₹20,557.00
Accountant (Skilled)	1	₹18,922.00	₹18,922.00
Asst. Manager (Skilled)	1	₹18,922.00	₹18,922.00
Cashier (Semi Skilled)	3	₹16,405.00	₹49,215.00
Salesmen (Semi-Skilled)	7	₹16,405.00	₹1,14,835.00
Unskilled (Airboy)	2	₹14,505.00	₹29,010.00
Toilet (Unskilled)	1	₹14,505.00	₹14,505.00
	16		₹2,65,966.00
For Leave as per Labour Laws & Weekly Holiday (23.29%)			₹61,937.00
			₹3,27,903.00
As per Court Affidavit Filed on Page 47			
MS Component	46 x 1958.66	=	₹90,098.36
HSD Component	107 x 1450.86	=	₹1,55,242.02
Total			₹2,45,340.38
Shortfall in Salaries			(₹82,562.62)

	After July 2017		PPAC Report Average Volume at 153 kL									
	MS	HSD										
Projected Volume	46	107										
Salaries & Wages	₹1,958.66	1450.86										
Working 2 Shift only	2 Dispensing Units											
Manpower Required					Central							
Manager	1	20557			Min	EPF	ESI	Gratuity	Bonus	EL	Net Figure	
Skilled	1	18922			15189	2110	722	635	1266	635	20557	
Skilled	1	18922			13980	1942	665	585	1165	585	18922	
Skilled	1	18922			13980	1942	665	585	1165	585	18922	
Semi Skilled	3	16405			12121	1684	576	507	1010	507	16405	
Semi Skilled	7	16405			12121	1684	576	507	1010	507	16405	
Unskilled (Airboy)	2	14505			10717	1489	510	448	893	448	14505	
Toilet (Unskilled)	1	14505			10717	1489	510	448	893	448	14505	
Security (Night Shift)	0	14505			10717	1489	510	448	893	448	14505	
	16											
(23% additional manpower)												
As per Court Presentation												
MS Component												
HSD Component												
Total												
Deficit in Salaries												
Salary Components	EPF	ESI	Gratuity	Bonus	EL							
(Mandatory Payments)	13.89%	4.75%	4.18%	8.33%	4.18%	35.33%						
Wage Factor for (Casual Leave + Sick Leave + Earned Leave)	Casual	Sick	Earned	Leave	Sundays	Holiday	%					
	11	11	11	33	52	85	23.29%					



**WP.No.28564 of 2017**  
**and**  
**WMP Nos.30713 & 30714 of 2017**

**K.RAVICHANDRABAABU,J.**

Mr.T.V.Krishnamachari, learned standing counsel takes notice for the respondents 1 & 11. Mr.V.T.Gopalan, learned Senior Counsel, for M/s.King & Patridge takes notice for the respondents 3 to 8. Mr.A.Kumar, learned Special Government Pleader takes notice for the respondents 2, 9 & 10.

2. Post the mater after two weeks for filing counter.

3. In the meantime, the respective Oil Corporations who are arrayed as respondents in this writ petition shall not pass any final order in pursuant to the show cause notice issued to the members of the Petitioner Association, if any.

**09.11.2017**

mk

IN THE HIGH COURT OF JUDICATURE AT MADRAS

( Special Original Jurisdiction )

Thursday, the Ninth day of November Two Thousand Seventeen

PRESENT

THE HON'BLE MR JUSTICE K. RAVICHANDRABAABU

WP No.28564 of 2017

AND WMP.30714 OF 2017

1 TAMIL NADU PETROLEUM DEALERS [ PETITIONER in both the petitions ]  
ASSOCIATION, REGISTRATION NO.142/80, MR.  
HYDER ALI, GENERAL SECRETARY, 33/3, DINDIGAL  
ROAD, OTTANCHATIRAM, DINDIGAL DISTRICT 624  
619 REP. BY ITS GS.,

Vs

1 THE SECRETARY, [ RESPONDENTS in both the petitions ]  
MINISTRY OF PETROLEUM & NATURAL GAS, SHASTRI  
BHAVAN, NEW DELHI.

2 THE SECRETARY,  
LABOUR EMPLOYMENT DEPARTMENT, GOVERNMENT OF  
TAMIL NADU, FORT ST. GEORGE, SECRETARIAT,  
CHENNAI 600 009

3 THE INDIAN OIL CORPORATION LTD  
REP. BY ITS CHAIRMAN, 3079/3, JB TITO MARG,  
SADIO NAGAR, NEW DELHI 110 049

4 THE HINDUSTANT PETROLEUM  
CORPORATION LTD., REP. BY ITS CHAIRMAN &  
MANAGING DIRECTOR, PETROLEUM HOUSE 17,  
JAMSHEDJI, TATA ROAD, MUMBAI 400 020

5 THE BHARAT PETROLEUM  
CORPORATION LTD., REP. BY ITS CHAIRMAN &  
MANAGING DIRECTOR, BHARAT BHAVAN, 4&6,  
CURRIMBOY ROAD, BALLARD ESTATE, P.B.NO.688,  
MUMBAI 400 001 MUMBAI.

6 THE EXECUTIVE DIRECTOR  
(TN & PONDY), INDIAN OIL CORPORATION LTD.,



Order : These petitions coming on for orders upon perusing the petitions and the respective affidavits filed in support thereof and upon hearing the arguments of MR.AR.L.SUNDARASAN Senior Counsel FOR M/S.AL.GANTHIMATHI, Advocate for the petitioner in both the petitions and of MR.T.V.KRISHNAMACHARI, STANDING COUNSEL FOR 1 & 11 RESPONDENTS AND OF MR.V.T.GOPALAN, Senior Counsel FOR M/S.KING & PATRIDGE FOR 3 TO 8 RESPONDENTS AND OF MR.A.KUMAR Special Government Pleader FOR 2, 9 & 10 RESPONDENTS the court made the following order:-

Mr.T.V.Krishnamachari, learned standing counsel takes notice for the respondents 1 & 11. Mr.V.T.Gopalan, learned Senior Counsel, for M/s.King & Patridge takes notice for the respondents 3 to 8. Mr.A.Kumar, learned Special Government Pleader takes notice for the respondents 2, 9 & 10.

2. Post the matter after two weeks for filing counter.

3. In the meantime, the respective Oil Corporations who are arrayed as respondents in this writ petition shall not pass any final order in pursuant to the show cause notice issued to the members of the Petitioner Association, if any.

-sd/-

09/11/2017

/ TRUE COPY /

*[Signature]*

Sub-Assistant Registrar ( Statistics / C.S. )  
High Court, Madras - 600 104.

TO

1 THE SECRETARY,  
MINISTRY OF PETROLEUM & NATURAL GAS, SHASTRI  
BHAVAN, NEW DELHI.

2 THE SECRETARY,  
LABOUR EMPLOYMENT DEPARTMENT, GOVERNMENT OF  
TAMIL NADU, FORT ST. GEORGE, SECRETARIAT,  
CHENNAI 600 009

3 THE INDIAN OIL CORPORATION LTD  
REP. BY ITS CHAIRMAN, 3079/3, JB TITO MARG,  
SADIO NAGAR, NEW DELHI 110 049

4 THE HINDUSTANT PETROLEUM  
CORPORATION LTD., REP. BY ITS CHAIRMAN &  
MANAGING DIRECTOR, PETROLEUM HOUSE 17,  
JAMSHEDJI, TATA ROAD, MUMBAI 400 020

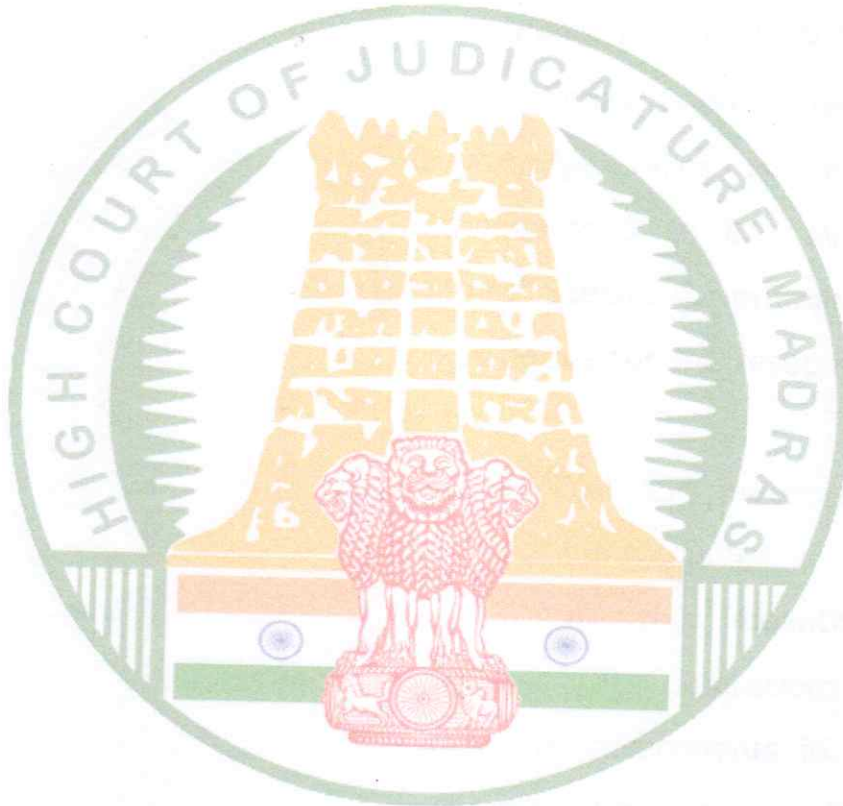
WP NO.28564/2017  
&  
WMP NO.30713 & 30714/2017

KRCBJ

Post the matter after two weeks. The interim order already granted on 09.11.2017 shall continue until further orders.

vsi/sk

27.11.2017



सत्यमेव जयते

WEB COPY

28.11.2017



## IN THE SUPREME COURT OF INDIA

## CIVIL ORIGINAL JURISDICTION

TRANSFER PETITION (CIVIL) NO.2206 of 2017

BHARAT PETROLEUM CORPORATION LTD. &amp; ORS.

Petitioner(s)

VERSUS

ANDHRA PRADESH FEDERATION OF PETROLEUM  
DEALER & ANR.

Respondent(s)

WITH T.P.(C) No. 2231/2017T.P.(C) No. 2233/2017T.P.(C) No. 2230/2017T.P.(C) No. 2227/2017T.P.(C) No. 2234/2017T.P.(C) No. 2232/2017O R D E R

We have heard learned counsel for the parties.

It is stated that the transfer petitions have been filed on the ground that on the same issue several petitions are pending in different High Courts.

We are of the view that instead of allowing transfer, it will be in the interest of justice that one High Court first decides the matter. Accordingly, we request the Delhi High Court to decide W.P.(C)No.10334 of 2017 pending before it expeditiously and preferably within three months from today.

Other High Courts may proceed with the matters after the Delhi High Court decides the same.

Signature Not Verified  
Digitally signed by  
MAHABIR SINGH  
Date: 2017.11.21 11:21:51  
Reason:

It will be open to any affected parties to intervene before the Delhi High Court.

The transfer petitions are, accordingly, disposed of.

.....J.  
(ADARSH KUMAR GOEL)

.....J.  
(UDAY UMESH LALIT)

New Delhi,  
November 27, 2017.