

## 1. SETTING UP of an Aegis Autogas Station:

The applicant for setting up of Aegis Autogas station undergoes stringent quality assessment to ensure that the RIGHT channel partner is appointed to represent the “BRAND” in the minds of the customers. Reasonable **financial strength, Long Term Business Perspective, Site feasibility** and orientation towards “**customer first**” approach are the key factors that the company looks at while appointing dealers and distributors. For detailed discussion business proposal our experienced and trained marketing personnel is just one called away. Besides these, the mandatory requirements to setup a Gas station are as under:

### 1. LAND: (OWNED OR LEASED)

For setting up Aegis Autogas Dispensing Station, the requirement of the land is as follows:

- i. Minimum 1000 Sq. Mts. in Cities / 1,200 Sq. Mts. on State highways / 2,000 Sq. Mts. on National highways. If on NH, depth of the plot shall be preferably double the width of plot in order to meet the statutory NHAI / SH requirement of clearances of 75 M and 45 M for any building / tank and dispenser respectively from the centre line of the highway.
- ii. The plot frontage should NOT be less than 80 Ft for within city outlets and minimum 35 Mts for sites on highway locations.
- iii. Land should be of clear title / leased and free from any encumbrances.
- iv. Land should be Non-Agricultural / Cleared for NA use.
- v. Land should not be Industrial and cleared for Commercial use.
- vi. Premises should be spacious and not located in thickly populated / residential area.

The plot sizes for the sites recommended above are needed for maintaining requisite safety distance (from the Dispensing Stations) from the adjoining properties/buildings, from roads as per Static and Mobile Pressure Vessel (Unfired) Rules, 1981 (SMPV Rules) administered by Petroleum and Explosives Safety Organization (PESO), Nagpur. These plot sizes also provide adequate space for putting up an Autogas Kit Retrofit Center and also additional Dispenser with underground tank for future to double the capacity at minimum cost. Minimum safety distance to be maintained as per SMPV Rules (in metres).

### 2. MAIN PLANT EQUIPMENT & MACHINERY:

- i. **Underground Storage Tank:** It is preferable to have one tank of 20KL. However, in case of area constraint two 10 KL tank can be put at the site. It shall be placed within concrete or brick-masonry pit and installed on a firm foundation and firmly secured and anchored to the foundation so as to prevent movement or floatation.
- ii. **LPG Dispenser:** Dual hose dispenser of CCOE approved make with flow range of 6-60 LPM designed at maximum operating pressure of 20.0 kg/cm<sup>2</sup> and liquid temperature range - 26°C to +55°C. It shall be installed on a Firm Foundation and protected against physical damage.
- iii. **Dispensing Pump:** Submersible or above ground pump of approved make with Flow rate of 70 LPM at 7 bar pressure.
- iv. **Unloading Pump:** Positive displacement type with Flow rate of 200LPM for unloading of LPG from tank truck to storage tank.
- v. Associated Valves & Piping and Control Panel for automation of operation and safety.

### 3. SAFETY & FIRE FIGHTING FACILITIES :

- i. **Emergency Shut Down system (ESD)** to be provided at 3 strategic locations (control room, water dispenser and near unloading point).
- ii. **DCP Fire Extinguishers:**
  - a. At least 2 of these with 75 Kg capacity needs to be provided near the Tank & truck unloading area.
  - b. Minimum 4 of 10 Kg capacity each to be provided near each dispenser and transfer pump location.
  - c. Minimum 1 of 5 Kg CO2 extinguisher to be provided at electric control room.

The entire facility need to have maximum automation for operation control associated with safety features for safe operations.

The entire equipment installed and the installation process is strictly controlled and monitored by the office of the Chief Controller of Explosives and various guidelines to this effect are to be referred to for construction and operation of an Autogas station. These include:

- Static & Mobile Pressure Vessels (Unfired) Rules, 1981 (with latest amendments)
- OISD Standards – 210
- Additional Guidelines issued by Chief Controller of Explosives

Further the layout of the Dispensing Stations has to conform to the above for obtaining License (to operate) from Chief Controller of Explosives.

### 4. SALES SERVICE & CONTROL CENTRE:

Requisite Office space for conducting routine sales activities and services and also housing Control Panel and automation system of the Autogas Station.

### 5. RETRO FITMENT CENTRE FOR AUTOGAS CONVERSION KITS

Autogas Conversion Kits duly approved by ARAI and VRDE can be marketed and retro fitted in a Retro Fitment Centre (RFC) in the premises which has to be approved by local RTO. Any petrol vehicle can be readily converted to use Aegis Autogas by fitment of Autogas Conversion Kit & Autogas Tank. After retro fitment the vehicle has to immediately obtain endorsement from RTO for running on Aegis Autogas. Kit has to be purchased only from approved Autogas Kit Supplier whose kits have been duly approved by any of the following two Authorities under Central Motor Vehicles Act, 1989 (with latest amendments) :

- ARAI (Automotive Research Association of India, Pune)
- VRDE (Vehicles Research & Development Establishment, Ahmed nagar)

Autogas Kit and Tank fitted in vehicles shall conform to following Bureau of Indian Standards (BIS):

- IS 14899 : 2000 for LPG Containers for Automotive use
- IS 15100 : 2001 of Multi Functional Valve Assembly on fixed LPG Containers

There are quite a few of approved reputed Kit Suppliers who have obtained approval from the aforesaid authorities. Aegis can assist typing up with a Kit supplier, if so desired by the Dealers. It is recommended that a Retrofit Center be located within the Aegis Autogas Dispensing Station premises. This will ensure an additional source of steady income to the Associated Parties/Dealers of Aegis Autogas by retrofitting vehicles.

#### **6. ADDITIONAL NON FUEL PRODUCTS RETAIL AND GARAGE / SERVICE STATION ACTIVITIES:**

It is prudent to use the retail station for sales of other associated non fuel retail products (subject to approvals) and also undertake other related garage & vehicle servicing activities. These provides an additional source of revenue generation and also increases the footfall of Autogas buyers in the gas station. Aegis through its unique tieup with Essar, is in a position to provide a whole range of products that can be easily retailed from the gas stations.

#### **SCOPE OF WORK (Including but not limited to):**

This section details the work that the Dealer or the Company would undertake at various stages of construction. These stages are divided into “Pre-Commissioning” and “Post Commissioning” of gas station (Also referred to as “Pre OTP” and “Post OTP” stages wherein “OTP” refers to gas station being made “Open to Public”). The scope of work shall be more described in the legal agreement entered between the company and the Dealer, but a reference is given herein for project understanding:

#### **DEALER’s scope of Work: (Pre-Commissioning stage):**

- i. Provide certified copies of all requisite documents pertaining to the formation / incorporation of their Company / Firm viz. partnership deeds, certificate of incorporation etc.
- ii. Provide relevant certified copies of documents pertaining to the title & ownership / lease holding rights of the plot of land / premises including all Government /Municipal permissions and 7/12 extract of the land.
- iii. Provide requisite site layouts and drawings including a key plan of the site clearly showing all buildings and establishments at a 100 m radius of the site.
- iv. Ensure and obtain Non-Agricultural Certificate for the land / premises, and ensure the plot of land is cleared for Commercial use.
- v. Obtain all necessary LOCAL site Approvals & Permissions, NOC’s & Clearances from all other relevant local authorities, from time to time during the construction of the ADS and during operation of the same.
- vi. To execute entire Civil Work required at the site for setting up of the Dispensing Station and bear all related expenses towards the same. Broad Civil work will include Tank Pit & Foundation, Machinery foundation, Control Room & Sales Office, Tanker Unloading platform, fencing around tank, Dispenser Island, Pipe & Cable trenches, Drainage, Boundary fencing / Compound wall, Kit Fitting Shed, Asphaltting / Paving of area etc. In case the Dealer is not

capable for executing the Civil work, the same can be outsourced to the ADS Equipment Vendor cited by Aegis, at the Dealers Cost.

- vii. Obtain requisite Electric and Water supply connection, at the said site and shall be responsible to regularly pay all bills for the same, during the construction and operation of the ADS.
- viii. Arrange for entire finances and costs related to Plant and Machinery required for setting up of the Dispensing Station.

**DEALER's scope of work: (Post-Commissioning):**

- i. After successful commissioning of the Dispensing Station, the Dealer will be responsible to successfully and safely operate and run the same and maintain sufficient stocks of Aegis Autogas at all times and maintain and upkeep the standards of operations setup by Aegis.
- ii. The entire requisite costs (fixed and variable) and working capital required for operating the said ADS including but not limited to Manpower, Power (Electricity & Water) etc. will be borne by the Dealer.
- iii. Adhere to the maintenance and HSE policy of the company and bear the expenses related to the statutory and day to day maintenance of the Gas station.
- iv. Trained ITI qualified operators with one graduate manager to be employed by dealer.

**AEGIS Scope of Work: (Pre-Commissioning):**

- i. To execute requisite Letter of Intent (LOI) and Dealership Agreement in the Dealer's favor in standard formats of Aegis.
- ii. To provide / extend its own Credit rating to its Dealers, which is mandatory for setting up of an Autogas Dispensing Station (ADS).
- iii. On receipt of the site layout and 100 Mts. key plan of the site, Aegis will prepare a detailed preliminary layout drawing of the proposed Dispensing Station at the site and will obtain the Site Plan approval from the Controller of Explosives, enabling the commencement of construction activities at the site for setting up the ADS.
- iv. The Dealer may seek requisite assistance / support from Aegis for obtaining suitable Bank loans by the Dealer for financing the Dispensing Station, and ALL will provide such assistance to the best of their ability.
- v. Aegis will extend all possible assistance and necessary Technical Support to the Dealer, for obtaining the Local Approvals/NOC's. All such Local Approvals/NOC's has to be taken by the Dealer in Aegis' name as the Service Provider. All related costs and expenses towards obtaining the aforesaid Local NOC's will be borne by the Dealer.
- vi. Aegis will be responsible for all technical expertise required in setting up of the ADS, including citing and finalizing of a suitable Vendor / Contractor for supplying and installing the required Plant and Machinery for the ADS. Turnkey Job Equipment Orders will be placed directly by the Dealer to Aegis and all commercial matters are directly dealt, bilaterally between the Dealer and AEGIS.
- vii. Aegis' technical personnel will be continuously monitoring and supervising the progress and qualitative aspects, while setting up of the ADS.
- viii. Aegis will provide and install the Canopy fascia above the Dispenser and the Totem Pole (Brand stand) with their standardized branding and color coding for the ADS at their cost. The required



- ix. civil and steel structure for the Dispenser Canopy and the civil foundation for the Totem Pole will have to be constructed by Dealer at their cost.

**AEGIS Scope of work: (Post Commissioning):**

- i. On completion of setting up the ADS, Aegis shall approach the Explosives Department with an "As built" Plan / Drawings, the District Collector's NOC etc. for obtaining in its name a Storage cum Dispensing Licence from them, for Storage and Dispensing of Aegis Autogas.
- ii. Aegis shall be responsible for providing essential and required training to the operators / supervisors engaged by the Dealer in handling, storing and dispensing Aegis Autogas at the ADS before the launch of the Gas station.
- iii. ALL will be responsible for carrying out preventive & breakdown maintenance and Safety Audit of the ADS site from time to time.
- iv. Aegis can also assist prospective parties in selecting Autogas Kit Suppliers at their site for three and four wheeler vehicles.
- v. Aegis will make best efforts to ensure uninterrupted, regular and continuous supply of quality Autogas conforming to Bureau of Indian Standards viz. IS 14861 : 2000.
- vi. Aegis, through its Sales support team, will help & guide the Dealer ensure an IMPACTFUL launch of the Autogas station through their unique "**Launch Pad**" activity. It will assist the dealer initially in taking up various promotional activities to increase the awareness about the Auto LPG in the local market.

## Broad Statutory Approvals Required

- A. The construction and erection work can start only after receiving the site approval of CCOE. Hence an application will have to be made by Aegis to the Chief Controller Of Explosives (CCOE), Nagpur, enclosing:
  - i. 3 copies of Layout Plan indicating details of equipment, fittings, firefighting facilities and other facilities forming part of the premises,
  - ii. Key plan of surrounding area within 100 meters of edge of all facilities,
  - iii. Scrutiny fee of Rs.100/-.
- B. It is desirable that a simultaneous application is made by the Dealer to the District Authority (in Towns having a Commissioner of Police, the Commissioner or a Deputy Commissioner of Police and in any other place, the Collector/District Magistrate) with two copies of site plan showing location of the premises for obtaining NOC in the name of 'Aegis Logistics Limited'.
- C. Application to be made by the Dealer to the National Highway Authority/ PWD for NOC if applicable.
- D. Application to RTO is recommended to be submitted simultaneously for setting up of Retrofitment Center (RFC).
- E. After setting up of Autogas Dispensing Station, a final license has to be obtained under SMPV Rules from Chief Controller of Explosives, Petroleum and Explosives Safety Organization before commissioning the facility. CCOE as per their rules furnishes this license in favor of the Service Provider (i.e. Autogas supplier) who provides their Rating to the Dispensing Station

Owner / Dealer and takes responsibility of training of the staff and carrying on other formalities.

- F. CCOE have presently further mandated that in order to provide “Final Storage and Dispensing License”, the Dealer /Original land owner has to enter into a Lease Agreement with the Service Provider (i.e. Autogas Supplier) with requisite Statutory Rating (such as Aegis). Accordingly a Lease Agreement along with Dealership Agreement is to be entered by the Dealer with Aegis.

The application for this license in Form IA with the requisite license fee has to be submitted to CCOE. The Autogas Dispensing Station can be commissioned after obtaining the License in Form V.

### Project time schedule:

Approximate time schedule of the Autogas Station Project is as under:		
1.	Site Evaluation, Drawing & Submission to CCOE for initial site approval	1 month
2.	All Statutory Approvals (Depends on Dealer’s ability to push the work at local department level)	3- 5 Months
3.	Civil work (Depends on the extent of work required at the site, i.e, leveling, filling etc)	2 - 3 Months
4.	Supply, fabrication and installation of Equipment after completion of Civil Work and getting the NOC	3 - 4 Months
5.	Final CCOE inspection, Rule 33 and Launch Permissions	15-20 days of completion
6	Total time for setting up of Gas Station	9-12 Months