



ABSTRACT

Prisons – Setting up of six more Petroleum retail outlets in the outer premises of Central Prisons in Phase -II viz. Central Prisons in Puzhal on Ambattur Road, Salem, Trichy on Airport Road and Gandhi Market, Madurai, Coimbatore on Bharathiar Road in association with M/s.Indian oil Corporation Limited – Sanction accorded – Orders - Issued.

HOME (PRISONS.III) DEPARTMENT

G.O.(Ms).No.213

Dated: 02.05.2022

சுபகிருது, சித்திரை 19
திருவள்ளூர் ஆண்டு 2053

Read:-

1. G.O.(Ms) No.343, Home(Prisons-III) Department, dated 21.05.2018.
2. From the Director General of Police / Director General of Prisons and Correctional Services, Chennai Letter No.3852/IC.2/2020, dated 07.01.2021, 20.01.2021 dated 06.12.2021.

ORDER:-

In the Government order first read above, Government have accorded sanction in principle for the setting up of Petrol Retails outlets in collaboration with M/s Indian Oil Corporation Limited in two phases of a pilot phase consisting of 5 places in the outer premises of Central Prisons in Vellore, Coimbatore, Palayamkottai, Puzhal-I and Borstal School, Pudukottai and to be implemented in 6 other places viz. Central Prisons in Puzhal on Ambattur Road, Salem, Trichy on Airport Road, Trichy on Gandhi Market, Madurai, Coimbatore on Bharathiar Road in association with M/s.Indian Oil Corporation Limited stating that the Pilot project in the first phase be implemented in five locations in the outer premises of Central Prisons in Vellore, Coimbatore, Palayamkottai and Central Prison-I, Puzhal, and Borstal School, Pudukottai without any financial implication subject to the following:-

- (i) Indian Oil Corporation Limited shall extend a rental advance of Rs.1.36 Crore without interest for the first

phase of five Retail Outlets and another 1.64 Crore for the second phase of six Retail Outlets while starting the Retail Outlets to Prison Department which will be adjusted in first 60 months rental.

- (ii) The Indian Oil Corporation Limited shall construct at its cost and hand over rooms for ATM and Prison Bazaar in each of the site for exclusive use of Prison Department without any commercial recovery.
- (iii) The Indian Oil Corporation Limited shall complete the Retail Outlet construction for commencement of sales within 100 days from the date of handing over the site.
- (iv) Each retail outlet shall be provided with state-of-the-art facilities and mandatory facilities viz., adequate tankages, electronic dispensing units, compound wall, canopy, paver drive way, visual identity, sales building, separate toilets for male and female, air facility, drinking water facility, CCTV, customer centric facilities like loyalty cards, digital payment facilities, safety equipments etc.,
- (v) The Indian Oil Corporation Limited shall install Retail Outlet Automation facility at all the outlets before commencement of sales.
- (vi) In order to reduce electricity cost, instead of offering Generator subsidy, Indian Oil Corporation Limited shall provide Solar Equipment at all the outlets apart from EB Connection.
- (vii) The Indian Oil Corporation Limited shall give Regular Training to all people (Prisoners) who are involved in operating the outlets.

2. In the letter second read above, the Director General of Police/ Director General of Prisons and Correctional Services, Chennai has stated that the pilot project in the first phase viz. Central Prisons in Vellore, Coimbatore, Palayamkottai, Puzhal-I and Borstal School, Pudukottai had been implemented and a Memorandum of Understanding was signed between the Tamil Nadu Prison Department and M/s. Indian Oil Corporation Limited on 01.06.2018. The petrol retail outlets established in the above 5 locations of prisons have been running successfully with effect from 22.02.2019 in 4 prisons and with effect from 13.06.2019 in Central Prison-I, Puzhal. The total sales turnover and net profit earned for the period ending March 2020 is Rs.174,42,36,386/- and Rs.5,18,64,975/- and 20% share due to Government account is Rs.1,15,74,863/-. Thus, running of petrol retail outlets is an advantageous and revenue generating venture to the Government.

3. The Director General of Police / Director General of Prisons and Correctional Services, Chennai has further stated in continuation of pilot project of establishment of petrol retail outlets in 5 prisons in Phase-I, and based on the Budget announcement in the financial year 2020-2021 that 6 more Petrol Retail Outlets in prisons would be established. M/s. Indian Oil Corporation Limited has informed that they have agreed with the rentals mentioned in para 2 of Memorandum of Understanding signed on 1.6.2018 between the Tamil Nadu Prison Department and M/s Indian Oil Corporation Limited for balance Petrol Retail Outlets to be established in 6 locations which are detailed as follows:-

Sl. No	Location	Site Dimension (Mtr)	Projected Volume (KL)			Expected Rental/ Month (Rs)	Rental Advance (Rs.in Lakh)	Working Capital (Rs.in Lakh)
			MS	HSD	Total			
1	Puzhal on Ambattur Road	30 x 30	40	140	180	48,000	28.8	19.5
2	Salem	30 x 30	80	120	200	48,000	28.8	22.4
3	Trichy on Airport Road	35 x 45	90	160	250	76,000	45.6	27.8
4	Trichy on Gandhi Market	20 x 20	70	100	170	20,000	12.0	19.1
5	Madurai	30 x 30	85	180	265	38,000	22.8	29.2
6	Coimbatore on Bharathiar Road	30 x 30	70	130	200	43,000	25.8	22.2
Total			435	830	1265	2,73,000	163.8	140.2

4. The Director General of Police / Director General of Prisons and Correctional Services, Chennai has further stated that the Indian Oil Corporation Limited has confirmed that they will enter into lease agreement with the prison department for the proposed 6 sites in above places for a minimum period of 19 years and 11 months and that they will be paying the advance rental for 60 months as already mentioned in the Memorandum of Understanding dated 01.06.2018 entered between the parties and the same will be provided at the time of starting of business, similar to phase-I locations, and have agreed to do certain types of works essential for the successful running, if these petrol Retail Outlets start functioning, as done by them in Phase-I. He has therefore requested the Government to accord sanction for establishment of Petrol retail outlets in the above 6 locations in Phase-II without any financial implication to the Government.

5. The Government after careful examination of the proposal of the Director General of Police / Director General of Prisons and Correctional Services, Chennai in detail and decided to accept it. Accordingly, sanction is hereby accorded for setting up of six more petroleum retail outlets in the outer premises of Central Prisons in

Phase-II viz. Central Prisons in Puzhal on Ambattur Road, Salem, Trichy on Airport Road, Trichy on Gandhi Market, Madurai, Coimbatore on Bharathiyar Road in association with M/s.Indian Oil Corporation Limited without any financial commitment to the State Government subject to the same terms and conditions of the Government Order first read above and the terms of Memorandum of Understanding executed between Prison Department and Indian Oil Corporation Limited, dated 01.06.2018.

6. The Government further order that M/s. Indian Oil Corporation Limited shall also enter into lease agreement with the Prison Department in respect of the above six sites.

7. This order issues with the concurrence of Finance Department vide its U.O.No.57092/Home.II/2021, dated 24.01.2022.

(BY ORDER OF THE GOVERNOR)

**S.K. PRABAKAR
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

To

The Director General of Police / Director General of Prisons and Correctional Services, Chennai-8.

All Deputy Inspector General of Prisons Range.

The Superintendent of Central Prisons, Puzhal-I, Salem, Trichy, Madurai and Coimbatore.

The Chief General Manager, (RS) Indian Oil Corporation Limited, Marketing Division, Southern Division, 139 Mahatma Gandhi Road, Nungambakkam High Road, Chennai-600 034.

The Principal Accountant General, (A&E), Tamil Nadu, Chennai-18.

The Accountant General (Audit), Chennai-18.

The Pay and Accounts Officer, Madurai.

The District Treasury Officer, Thiruvallur, Salem, Trichy, Coimbatore.

Copy to

The Additional Chief Secretary/Commissioner of Land Administration, Chennai-5.

The District Collector, Thiruvallur, Salem, Trichy, Madurai, Coimbatore.

The Commissioner of Police, Avadi, Salem, Trichy, Madurai, Coimbatore.

The Finance (Home-II/B.G-I/B.G-II) Department, Chennai-9.

The Revenue and Disaster Management Department, Chennai-9.
SF/SC.

//FORWARDED BY ORDER//

R. J. J. J.

SECTION OFFICER.

26/5/2022