



## India opens up bids for 55,000 new gas stations

**With a growing need for energy services, India's state-run OMCs have announced a major expansion campaign to ensure their dominance over private retailers.**

India's state-run oil marketing companies - Indian Oil Corporation, Bharat Petroleum Corporation and Hindustan Petroleum Corporation - have opened up bids for petrol station dealerships at 55,659 locations across the country in a major expansion campaign.

For the first time in four years the government has allowed state-run retailers to expand their business in an operation that could double their current network over the next five years, according to the Financial Express.

"For a fast-growing economy like ours, energy needs are growing manifold. OMCs are undertaking retail outlet network expansion in tandem with the growth in demand of petrol and diesel," a joint statement said.

IOC, which already has 27,377 petrol pumps across the country, has advertised for setting up 26,982 more. BPCL will add 15,802 outlets to its existing strength of 14,592 and HPCL would add 12,865 petrol pumps to its existing tally of 15,287.

India's gas station market is mainly dominated by state-run companies with the private sector only accounting for 10% of the market share. Nayara Energy Ltd, formerly Essar Oil Ltd, has the highest number of outlets in the private sector at 4,895 while Reliance Industries has 1,400 pumps. Royal Dutch/Shell has 116 outlets.

"Expansion of retail outlet network is undertaken by oil marketing companies primarily to meet the growing fuel needs and convenience of customers in emerging markets like upcoming highways, agricultural pockets and industrial hubs," the three companies explained in a joint statement.

Despite the larger number of bids opened by the top three state-run OMCs only around a third of them are expected to be filled due to the strict requirements.