

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:290

ANSWERED ON:01.03.2007

ALLOTMENT OF RETAIL OUTLETS TO PENDING LOI HOLDERS

Chowdhury Shri Adhir Ranjan

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a): Whether the oil companies are not performing their obligations for procuring the fresh sites for the development of retail outlets to be allotted to the pending LOI holders belonging to corpus funds scheme as advertised ;

(b): if so, whether it has caused the harassment to such pending LOI holders ;

(c): if so, the time by which oil companies are likely to procure the sites ; and

(d): if not, the reasons therefor ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b): As per the extant policy, Public Sector Oil Marketing Companies(OMCs) are required to procure suitable site and make available the ready retail outlet to the LOI-holder with all basic facilities at its own cost, under the Corpus Fund Scheme. For procurement of land for setting up retail outlets under this scheme, OMCs apply to State Governments and land owning authorities for making available suitable plot of land in the advertised area. Regular follow up is done thereafter with the authorities. Simultaneously, steps are taken to release advertisement in news papers for procurement of land from private parties to avoid delay in land procurement in case Government land is not available. In case no offer is received against the advertisement, the process of advertisement is repeated at regular intervals. Moreover, keeping in view the hardships faced by the pending Letter of Intent (LOI) holders, Ministry vide letter dated September 6, 2006, had issued broad guidelines for operation of temporary Company-Owned-Company-Operated(COCO) retail outlets. As per these broad guidelines, the temporary COCO retail outlets are to be offered to the LOI-holder under Special Scheme (Operation Vijay - Kargil), Discretionary Quota Scheme, Corpus Fund Scheme and other categories, in that order.

(c) & (d): As the process of procurement of land for setting up of retail outlets involve an extensive procedure, a definite time frame cannot be indicated.