

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

UNSTARRED QUESTION NO:2606  
ANSWERED ON:16.12.2004  
PETROL PUMPS WITHOUT ECONOMIC VIABILITY  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a): whether the Government is aware of this fact that oil PSU's are installing excessive number of petrol pumps without observing the economic viability and potential of the sites to cover even 100 to 150 Kls of sales per month;
- (b): if so, whether the HPCL is installing more than one pump on the distance of less than 1 km and attempting to develop the same as coco just to give benefits to their relatives and friends; and
- (c): if so, the action proposed to be taken against the HPCL's officer working in Haryana for their illegal acts?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

- (a) : The public sector oil marketing companies (OMCs) set up retail outlets (petrol pumps) at identified locations having sufficient potential, based on location-wise survey and feasibility study. The viability of the location varies with the class of market in which the outlet is to be set up and also on the facilities to be provided and investments to be made.
- (b): As per guidelines, there is no bar on setting up new retail outlets within 1 kilometre of existing outlets subject to availability of potential and conformity to statutory norms. As per records, there is one retail outlet of Hindustan Petroleum Corporation Limited set up at Mansa Devi Complex, Panchkula, Haryana, within a distance of 1 kilometre from another existing retail outlet of the same company. This outlet was commissioned in July, 2004 on company-owned-company-operated basis on the land allotted by the Haryana Urban Development Authority, after obtaining necessary approvals and 'no objection certificate' from the district authorities, etc. Even after commissioning of this new outlet, the existing retail outlet is selling, on an average, 350 kilolitres of petrol and 250 kilolitres diesel per month. This shows that the new retail outlet was planned on the basis of the available potential.
- (c): In view of the reply to part (b) above, no action is required to be taken against the personnel of the company.