

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

UNSTARRED QUESTION NO:3394  
ANSWERED ON:15.04.2010  
ALLOTMENT OF PETROL/DIESEL PUMPS AND LPG AGENCIES  
Danve Shri Raosaheb Patil

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

- (a): whether petrol/Diesel retail outlets and LPG agencies are allotted to the persons / parties on permanent basis;
- (b): if so, the reasons therefor;
- (c): whether the said allotments have resulted in underweighing of petrol/ diesel and blackmarketing of cooking gas;
- (d): if so, the number of such cases came to the notice of the Government during the last two years category-wise; and
- (e): the action taken by the Government against them?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) & (b): Public sector oil marketing companies (OMCs), viz., Indian Oil Corporation Limited (IOC), Hindustan Petroleum Corporation Limited (HPC) and Bharat Petroleum Corporation Limited (BPC) have reported that allotment of Retail Outlet (RO) dealerships to selected candidates is initially made for a period of 15 years and subsequently renewed for every 5 years. For LPG distributorship, allotment of the selected candidates is initially for a period of 10 years and renewed for every 5 years thereafter. Renewal of allotment of dealership/ distributorship is subject to satisfactory performance by the concerned dealer / distributor.

(c) & (d): 1729 cases of short delivery of Motor Spirit (MS) / High Speed Diesel (HSD) and 362 cases of irregularities related to LPG were detected during the last two years i.e. 2007-08 & 2008-09. The category-wise details are available with Director (Marketing) of OMCs.

(e): In case of proven irregularities, OMCs take action in accordance with dealership agreement and Marketing Discipline Guidelines, including termination of the dealership/ distributorship.