

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

UNSTARRED QUESTION NO:4535
ANSWERED ON:22.04.2010
ALLEGED IRREGULARITIES IN ALLOTMENT OF LPG AGENCIES
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the public sector oil marketing companies are at liberty to provide LPG distribution agencies as per their commercial assessment;
- (b) if so, the provisions made by the Government to check corruption and irregularities by the said companies in the allotment of gas agencies;
- (c) whether cases of corruption and irregularities in the allotment of gas agencies have been brought to the notice of the Government;
- (d) if so, the details of such cases reported during the last three years; and
- (e) the action taken by the Government thereon including steps taken to check recurrence of such cases?

Answer

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

(a) to (f): Public Sector Oil Marketing Companies (OMCs) namely Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) have commercial freedom to formulate and adopt their own guidelines in respect of governing, regulating, selection of LPG distributor under them. The LPG distributors are directly under the OMCs.

OMCs have formulated transparent system for selection of LPG distributor covering all the stages of selection i.e. selection of feasible locations, selection of the candidates, field verification of the credentials of the selected candidates, investigations into complaints if any and their disposal and issuance of the Letter of Intent to the suitable candidate.

No established cases of corruption by the officers of OMCs in selection of LPG distributors have come to the notice of the Government. Cases involving minor procedural lapses, as and when brought out during investigation of complaints are attended to and remedial action taken wherever necessary.