

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

UNSTARRED QUESTION NO:4607  
ANSWERED ON:06.08.2009  
BENAMI PETROL PUMPS  
Jakhar Shri Badri Ram

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

- (a): whether some 'Benami Petrol Pumps' are operating in the country;
- (b): If so, the State-wise number thereof;
- (c): whether any rules have been framed by the Government regarding Benami Petrol Pumps;
- (d): If so, whether these petrol pumps are proposed to be regularized; and
- (e): If so, the time by which these are likely to be regularized and the manner in which these will be regularized?

**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), Bharat Petroleum Corporation Limited (BPC) and Hindustan Petroleum Corporation Limited (HPC) have reported 15 established cases of Benami operation of Retail Outlet (RO) dealerships. These ROs are in operation because either action as per dealership agreement is in process or termination is stayed by the Courts. The State-wise number is given below:-

Sl. No Name of OMCs State No. of Benami RO

1 IOC Jammu & Kashmir 1

2 IOC Punjab 1

3 IOC Gujarat 1

4 IOC Rajasthan 3

5 IOC Andhra Pradesh 1

6 IOC Uttar Pradesh 1

7 IOC Uttarkhand 1

8 IOC Tamil Nadu 1

9 HPC Assam 1

10 HPC Kerala 4

(c): During Retail Outlet (RO) dealership selection process and finally while awarding RO dealership under various reserved categories, utmost care is taken by OMCs to ensure that the dealerships are awarded to the persons belonging to the category only under which dealership is rostered and advertised. The required certificates submitted by the candidate, in support of his/her belonging to the category, are checked and verified. Also subsequent to the selection/empanelment of the candidate by selection

committee, the Field Verification Credentials (FVC) of the empanelled candidate is carried out by the officer of the Corporation. On the basis of this FVC, Letter of Intent (LOI) is issued to the selected candidate.

In addition, officers of OMCs conduct inspection of RO regularly and monitor whether the signatories to the dealership agreements are managing the dealership personally. If doubt arises, then bank documents, sales tax registration, income tax returns, retail selling licenses and other relevant documents, etc, are checked to ensure that there is no Benami operation. Whenever, any case of operation of RO by persons other than the allottee/ authorized partner is detected, the matter is investigated and if Benami operation is established, action is taken in line with Dealership Agreement by terminating the concerned RO dealership.

(d): There is no proposal to regularize these ROs.

(e): Does not arise.