

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

UNSTARRED QUESTION NO:2359
ANSWERED ON:10.03.2011
ALLOTMENT OF PETROL/LPG DEALERSHIP
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a): the procedure adopted by the Government to provide petrol and LPG dealership in rural areas;
- (b): whether the Government has received any complaints regarding corruption in allotment of petrol pumps and LPG agencies;
- (c): if so, the details thereof;
- (d): whether the Government has banned the functioning of various Dealership Selection Board in view of the allegations of corruption;
- (e): if so, the details thereof;
- (f): the number of cases lying pending in the High Courts regarding allotment of petrol and gas dealerships;
- (g): whether the Government has any policy for an out of court settlement of the cases lying pending in the High Courts; and
- (h): if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH)

(a): To cater to rural/ agricultural market in order to reach diesel, other petroleum products and non-fuel products at Kisan's doorstep, public sector oil marketing companies (OMCs) have developed Kisan Sewa Kendra (KSKs)/ Rural Retail Outlets (ROs)/ Hamara Pump. While the selection criterion is by and large the same as that of regular ROs, there are certain specific differences made in view of the rural specific set up of these outlets. Some of the key differences are as under:

The applicant should be a resident of the concerned district. The application fee and the security deposit is nominal as compared to regular ROs. SC/ST and women candidates are also given exemption from basic required educational qualification of Matriculate. There is also a ceiling on investment on these outlets with a view to keep them low cost with basic infrastructure.

Similarly, a new Scheme of rural LPG distributor namely, Rajiv Gandhi Gramin LPG Vitaran Yojana (RGGLVY) for small size LPG distribution agencies has been launched on 16.10.2009. Salient features of the scheme are:-

- i) The LPG agencies under the RGGLVY will be of small size requiring lesser finance/infrastructure.
- ii) The distributor himself will manage the agency with the help of his/her family member and one or two employees.
- iii) Age limit for the distributor to be between 21 and 45 years.
- iv) All agencies under this scheme to be in the joint name of husband and wife. In case of applicants who are single the `spouse` will automatically become a partner after the marriage.
- (v) Reservation for SC/ST categories has also been provided for.
- (vi) The selection of the distributor would be by draw of lots from amongst all candidates who have secured more than 80% marks on the criteria of financial capability and education qualifications.

(b) & (c): OMCs do receive complaints against selection of allotment of RO dealerships / LPG distributorships. The selection guidelines contain provisions for grievance redressal system where each and every complaint is registered and examined by a senior officer appointed by the competent authority. The complaints having prima-facie merit are investigated and complainants are advised to furnish material, if any, to substantiate their allegations. Complaints are disposed by way of a speaking order and a copy of the same is given to all concerned. In case of established complaints action is taken by the OMCs which includes re-advertisement, re-interview, cancellation of selection process, initiation of disciplinary action against erring officials of the Corporation, etc.

(d) & (e): This Ministry vide letter dated 9.5.2002 had dissolved all Dealer Selection Boards (DSBs). The selection of candidates is

now being done internally by respective OMCs by a selection committee of officers of OMCs.

(f): 1195 numbers of disputes regarding allotment of ROs and LPG distributorships are lying pending in different High Courts in the country.

(g) & (h): OMCs do not have any policy for an out of court settlement of the cases lying pending in the High Courts.