

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

UNSTARRED QUESTION NO:3127

ANSWERED ON:30.08.2012

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

- (a) whether out of 1112 Letters of Intent (LoI) issued for Retail Outlets (ROs) during the last two years, only 73 ROs have started functioning till date and the remaining are still not functional;
- (b) if so, the reasons therefor;
- (c) whether any enquiry has been conducted regarding the role of the officials of the Oil Marketing Companies (OMCs) in the matter of site selection and other matters relating to delay;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor along with the reaction of the Government in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH) (a) & (b) During the last two years i.e 2010-2011 & 2011-12, public sector oil marketing companies (OMCs.), viz., Indian Oil Corporation Limited (IOC), Hindustan Petroleum Corporation Limited (HPC) and Bharat Petroleum Corporation Limited (BPC) have issued 9460 Letters of Intent (LoI) for Retail Outlets (RO) in the country. A total of 4493 ROs have been commissioned.

(c) to (e) No, Madam. The process of setting up of RO dealership involves various steps such as release of advertisements, scrutiny of applications and documents, holding of interviews of the eligible candidates for selection of dealers/ distributors, release of merit panels, field investigation in respect of selected candidates, issue of Letters of Intent (LOIs), obtaining of various approvals/No Objection Certificates from various statutory authorities, etc. and RO is commissioned only on completion of all the formalities.