

FORTY SECOND REPORT
COMMITTEE ON PETITIONS
(FOURTEENTH LOK SABHA)

MINISTRY OF PETROLEUM AND NATURAL GAS

(Presented to Lok Sabha on 05.05.2008)



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COMPOSITION OF THE COMMITTEE ON PETITIONS

Shri Prabhunath Singh — *Chairman*

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4. Shri N.S.V. Chitthan
5. Shri Anant Gangaram Geete
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6. Shri V.P. Gupta — *Under Secretary*

FORTY SECOND REPORT OF THE COMMITTEE ON PETITIONS

(FOURTEENTH LOK SABHA)

INTRODUCTION

I, the Chairman, Committee on Petitions, having been authorized by the Committee to present the Report on their behalf, present this Forty Second Report of the Committee to the House on the following representations:—

- (i) Representation from Shri Tirath Ram Chauhan, Jalandhar requesting for declaring the withheld result of his interview for selection of dealership;
- (ii) Representation from Shri Rajender Singh Yadav of Jaunpur, UP regarding irregularities committed by oil companies in allotment of Petrol/diesel Pumps;
- (iii) Action taken by the Government on the recommendation made by the Committee on Petitions (Fourteenth Lok Sabha) in their Fifteenth, Sixteenth and Twenty First Reports on the representations regarding irregularities in award of dealership/distributorships by IOCL/BPCL and other related issues.

2. The Committee considered and adopted the draft Forty First Report at their sitting held on 30th April, 2008.

3. The observations/recommendations of the Committee on the above matters have been included in the Report.

NEW DELHI;
30 April, 2008

10 Vaisakha, 1930 (Saka)

PRABHUNATH SINGH,
Chairman,
Committee on Petitions.

CHAPTER I

REPRESENTATION FROM SHRI TIRATH RAM CHAUHAN OF JALANDHAR REQUESTING FOR DECLARING THE WITHHELD RESULT OF HIS INTERVIEW FOR SELECTION OF DEALERSHIP

1.1 Shri Charanjit Singh Atwal, Hon'ble Deputy Speaker forwarded a representation dated 11th November, 2006 signed by Shri Tirath Ram Chauhan, resident of 410, Master Tara Singh Nagar, Jalandhar requesting for declaring the withheld result of his interview for selection of dealership.

1.2 In his representation, the petitioner has stated that the IBP had procured the land from many people including from the petitioner for petrol pump site with the commitment that the dealership of the petrol pump will be awarded to them. The IBP have obtained No objection Certificate and storage licence on the basis of misrepresentation of facts and false affidavits. According to the petitioner, the lease was executed on 27.11.2002 and the Retail Outlet (RO) was commissioned on 30.11.2002. Although interviews were conducted for the RO but its result were kept withheld for reasons best known to the Oil Company. According to the petitioner, as per policy of the Government issued in 2004, only such temporary COCOs which have been developed under 'A' site marketing plan location can be allotted to the pending LoI holders. However, the site of the petitioner is neither covered under the definition of 'A' site marketing plan location nor under the definition of temporary COCOs. Their COCOs are being run/managed by the land owners or their nominees under contract and these COCOs were to be handed over to them through dealer selection process. The petitioner has also stated that their COCOs are run by their investment and the total staff were employed by them. The Oil Company had never appointed any full time officer to run and manage the affairs of their RO. Their RO was commissioned prior to issue of the guidelines of the Government which did not have retrospective effect.

The petitioner has therefore, requested that necessary directions be issued to IBP/ IOCL officials to declare the withheld result of their interviews conducted for the selection of dealership for the locations and their COCOs may not be allotted to pending LoI holders.

1.3 The Committee took up the matter for examination in accordance with Direction 95 of the Directions by the Speaker, Lok Sabha. Accordingly, the representation was forwarded to the Ministry of Petroleum and Natural Gas (MoP&NG) for furnishing their comments on the points raised in the representation.

1.4 In their response, the MoP&NG *vide* their communication dated 24th May, 2007 furnished the following comments:—

"The main allegation of the petitioner is that IBP had taken, on lease rental, land belonging to him and other landowners for setting up RO on the promise that the landowners would be appointed as regular dealer for such ROs. He further

alleged all statutory clearance for setting up the ROs were obtained by the landowners and that now, instead of appointing the landowners as regular dealers, IBP is allotting such ROs to LoI holders under SC/ST category.

IBP has reported that such ROs were developed as COCO RO in line with the advertisement issued by the company for procurement of land and denies that such COCO ROs were intended to be allotted only to the landowners. No Objection Certificates (NOCs) and storage licenses were granted by the competent authority on the efforts of the company. Only temporary COCO ROs and not permanent COCO ROs are being handed over to pending LoI holders and the company denied that it had ever submitted wrong, false or twisted facts regarding the subject of commitment, if any, made to the land owner of COCO ROs.

In this connection, it may be noted that this Ministry, *vide* letter dated 06.9.2006, has issued broad policy guideline, whereby public sector Oil Marketing Companies (OMCs) were advised to hand over temporary COCO ROs to pending LoI holders under (i) Operation Vijay 'Kargil' Scheme, (ii) Discretionary Quota Scheme, (iii) Corpus Fund Scheme (SC/ST category, widows and women above 40 years of age without earning parents). This guideline was issued by the Ministry with a view to enable early commissioning of ROs allotted to persons belonging to the aforesaid social objectives categories where there is huge number of pending LoI holders whose ROs could not be commissioned owing to non-availability of suitable land. Further, OMCs are required to make all investments for ROs allotted to persons belonging to the identified categories and handing over of temporary COCO ROs, where all investments have been made by OMCs concerned, typically fit the case. It may also be pertinent to note here that delays in the commissioning of ROs allotted to social objective categories have drawn the attention of various dignitaries, including a number of Hon'ble Members of Parliament and various committees of the Parliament. Further, the Hon'ble High Court of Madhya Pradesh, while disposing of Writ Petition No. 5100/07 and other 14 similar petitions, had recorded that the decision to reserve COCO RO for those eligible under the categories mentioned above is, in fact, laudable and praiseworthy and does not call for interference."

1.5 The Committee undertook on-the-spot study visit to Mumbai and Guwahati and held informal discussion on the subject with the representatives of MoP&NG and the officials of Oil Companies on 6th and 9th June, 2007 respectively. During the discussion, the Committee were briefly informed about the COCO policy and Corpus Fund Scheme, as under:—

“Allotment of COCO dealerships: Policy

MoP&NG *vide* its letter dated 6th September, 2006 issued broad guidelines for allotment of COCOs to pending LoI holders and also on selection of COCO contractor in a transparent manner.

As per MoP&NG guidelines, temporary COCOs (excluding those where court cases/Litigations/disputes are pending) are to be offered to the pending LoI

holders as per the priority given below:

Priority No.1: Special Scheme (Operation Vijay, the Kargil allottees)

Priority No.2: Discretionary Quota Scheme (includes allottees under Parliament attack)

Priority No.3: Corpus Fund Scheme (SC/ST Category of Dealerships, Widows and Unmarried Women above 40 years of age without earning parents)

Priority No.4: Other categories as prescribed in the marketing plans.

As per guidelines of MoP&NG, IOCL has pooled its available temporary COCOs for offering to the categories under Priority 1 & 2 above and has completed allotments to these categories of LoI holders.

IOCL (including IBP) had as on 1.4.2007, 645 (268 IOC+377 IBP) temporary COCOs and out of these 85 (79 IOC+6 IBP) nos. have already been handed over to Kargil, Discretionary Quota, and Corpus Fund LoI holders including SC/ST. The remaining 560 Temporary COCOs have been offered as per the priorities mentioned above and the process is in progress. It is expected to complete this process within the next 3 months. However, situations are arising wherein, some of the COCOs offered are being refused by the LoI holders generally due to the fact that the locations are not near to their residence. Once the above exercise is completed and the availability of the number of balance COCOs clear, these will be offered to the remaining categories, other than SC/ST and thereafter converted into regular dealership through advertisement.

In addition to what has been stated above there are 304 (IOC 107+IBP 197) temporary COCOs including adhoc dealerships, which are affected due to Court cases filed by dealers, landowners and COCO operators due to their expectations of regular dealerships at these sites. These also include cases where dealerships, which have been terminated, are being run as COCOs and the terminated dealers have filed cases against the termination. Under these circumstances, the 304 temporary COCOs are not being offered to the pending LoI holders.

Types of COCOs

Oil Companies operate COCOs under 2 categories, *i.e.* Temporary COCOs as well as permanent COCOs.

Temporary COCO

These have been operational for the following reasons:

Where sites have been finalized, but dealership selection not yet completed/delayed, also including Dealership Selection Complaints/issues.

Where Retail Outlets have already been commissioned and there are Court cases between partners.

Where Retail Outlets have been terminated and need to be operated due to customers convenience.

As per Ministry's directions, temporary COCOs are being converted into regular dealership by the Industry as per the process explained earlier in this note.

Permanent COCOs

Permanent COCOs have been set up by the Industry as flagship Retail Outlets on Strategic locations and urban centres. These are also used for brand/image building as well as a Training platform for employees and dealers. These can also be utilized during strikes by dealers as stand by arrangement to minimize inconvenience to public at large.

Job contractor/Labour contractor for operating the temporary/permanent COCOs

The Oil Companies are utilizing job contractors and labour contractors for operating their temporary and permanent COCOs. In the case of job contractor, the remuneration works out to 90% of Dealers commission and the product belongs to the contractor. In case of job contractor, the stock losses are borne entirely by the contractor.

In the case of labour contractor, the product belongs to the Oil Company and control of stocks remains with the OMCs. The Oil Company also reimburses the salary and wages given to the operators' staff on the forecourt as well as electricity expenses. Stock losses beyond permissible limits are borne by the operator in the case of labour contractor.

Tenure of COCO operatorship

The tenure of operatorship varies from one to three years.

IOCL is having a transparent Policy to select its COCO operators through a process of short listing and interview based upon a very comprehensive, eligibility and evaluation criteria.

As per Ministry's instructions the IOCL is phasing out the job contractor concept and only labour contractor will be retained to operate the permanent COCOs.

Proposed selection policy of COCO operators—Permanent COCOs

IOCL is in process of obtaining management approval for amending its selection policy for COCO operators wherein these COCO operators will be selected through the advertisement process. The tenure of the permanent COCO operators will vary from 1 year up to 3 years.

Corpus Fund Scheme: Grant of working capital loan to SC/ST candidates for operating RO dealership

It is a scheme, introduced on 2.7.1992, under which the dealers/distributors, selected against dealership/distributorship reserved for SC/ST category, are not required to make any investment towards setting up of dealerships/distributorships. The oil company concerned incurs all expenditure on land, infrastructure, facilities etc. for dealerships/distributorships and then, the dealerships/distributorships are handed over to the dealers/distributors in ready condition.

In addition, the oil companies provide to the dealers working capital, equivalent to 7 days sale, at 11% per annum rate of interest. This is to be recovered from the dealers in 100 monthly instalments commencing from the 13th month of operation.

We.f. 9.10.2000, on their application and subject to the satisfaction of the company, widows and unmarried women above 40 years of age without earning parents, selected for dealerships/distributorships in all categories, including those which are not reserved for women, would be entitled to financial assistance under this scheme.

Dealerships/distributorships allotted under Kargil scheme and discretionary quota scheme are also given the facility of Corpus fund."

1.6 In reply to a question regarding allotment of COCOs to the dealers in Punjab since 2004 and out of those how many were allotted to SC/ST candidates, the MoP&NG informed as under:—

"IOC has reported that since 2004, the corporation (including erstwhile IBP company) had allotted 24 COCOs to various LoI holders in the State of Punjab as per details given below:

(i) Pending LoI holders under OVS category	2
(ii) Pending LoI holder under SC category (ST-Nil)	8
(iii) To Land Owners/nominees of land owners as per the then prevailing Dealer Selection Policy	14
TOTAL	24

1.7 On the issue regarding policy of allotment of COCOs, the MoP&NG *vide* their communication dated 28th February, 2008 have submitted their comments as under:—

"...Further, *vide* order dated 8.2.2008, a Division Bench of the Hon'ble High Court of Delhi, while disposing 110 cases filed by various land owners challenging Ministry's guidelines dated 6.9.2006 on operation of COCO ROs, has observed that the petitioners have all contended that they have a vested right to be allotted the dealerships of petrol pumps, that are being or will be operated out of the lands that they have given on lease. The said contention cannot be accepted as no where in the lease deed have the petroleum companies made any express or implied promise to the effect that the petrol pump dealership shall be handed to the landlords. In fact, the covenants of the lease deed suggest to the contrary."

1.8 As regards COCO policy and Corpus Fund Scheme, the MoP&NG *vide* their communication dated 28th February, 2008 stated as under:—

"As per COCO policy, public sector Oil Marketing Companies (OMCs) were advised to hand over temporary COCO ROs to pending LoI holders under (i) Operation Vijay 'Kargil' Scheme, (ii) Discretionary Quota Scheme, and (iii) Corpus Fund Scheme (SC/ST) category, widows and women above 40 years of age without earning parents. OMCs were also advised that permanent COCO

ROs should be operated by an officer of the OMC concerned and OMCs may post their personnel for running such permanent COCO ROs or engaged labour contractors to meet manpower requirement for such permanent COCO ROs. Corpus Fund Scheme (CFS) was introduced in 1992 for providing financial assistance to dealers/distributors belonging to SC/ST category. Under CFS, all investments required for setting up RO dealerships/LPG distributorships, such as land, showroom, godown, etc. are made by the concerned OMCs and the dealers/distributors do not have to make any investments. RO dealerships/LPG distributorships are given to such candidates in a ready condition. In addition, working capital loan with interest @11% per annum is provided to SC/ST dealers/distributors to enable them to commence the business. CFS was later extended to widows and unmarried women above 40 years of age, dealerships/distributorships allotted under the erstwhile Discretionary Quota Scheme (DQS) of the Government and the special scheme 'Operation Vijay (Kargil) Scheme' (OVS)."

1.9 As regards the guidelines/policy for allotment of COCOs to the dealers/distributorships, the Committee were informed that temporary COCO ROs are to be phased out by handing over to pending LoI holders. Permanent COCO ROs should be operated by an officer of the OMC concerned being in overall charge of the outlet. OMCs may post their own personnel for running the permanent COCO ROs or engage labour contractors for manpower requirement for such permanent COCO ROs, OMCs are requested to frame their own guidelines for selection of labour contractors for permanent COCO ROs.

1.10 In reply to a question as to whether the case of the petitioner along with landowners who had already been interviewed for the selection of RO dealerships were similar to other 114 cases? If so, what were the reasons for discrimination by not awarding them the RO dealership for respective sites, the MoP&NG stated as under:—

“IOC has reported that the corporation is not aware of the other 12 cases referred to in the query. However, the case of Shri Tirath Ram Chauhan belongs to the Administered Pricing Mechanism (APM) scenario, prior to 2002, and the land was obtained in response to an advertisement released in 2001 for procurement for commissioning of COCO RO. The 114 cases are where LoIs were issued under ‘Land Owners Category’ in response to land bank advertisement released in August 2003 and also some direct offers of land received from the landowners, after dismantling of APM *w.e.f.* 1.4.2002. These 114 ROs are being developed under the relevant provision of policy implemented by IOC with effect from 17.9.2003 based on guidelines advised by MoP&NG *vide* letter No. 19011/3/2002-IOC dated 19.8.2003, whereas the case of Shri Tirath Ram Chauhan pertains to a separate advertisement for procurement of land only, released on 12.4.2001 under the APM scenario with the intention of developing a COCO against a decommissioned RO.”

1.11 Informing about the definition and other details of various site marketing plans for award of ROs to the LoI holders under COCO scheme, the MoP&NG in their written

communication stated as under:—

“IOC prepares State Retail Marketing Plans (SRMP) taking into account the market conditions, activities of the competitors, long-range plan of the Company in respect of retail trade, its growth and potential, economic viability as well as strategic locations. SRMP includes location, district, State, and type of site as also category of the proposed dealership. All RO developments are a part of Marketing Plans/State Retail Marketing Plans only. IOC has 3 types of sites and their classifications are as under:—

- (i) *Site "A"*: Such site shall represent the sites owned by IOC either on an outright purchase basis or on a long lease basis. The site will be developed and infrastructure provided by the IOCL as per policy in vogue from time-to-time.
- (ii) *Site "B"*: Such site shall represent the sites owned by the dealers and IOCL will primarily provide dispensing equipments, and dealer will be responsible for developing the site and infrastructure as per the IOCLs policy in vogue from time-to-time.
- (iii) *Site "BI"*: Such sites will be developed and operated in the same manner as "B" stated above except in addition, IOC would enter into 2 Party Lease (2PL) Agreement with such dealer *i.e.* the land will be taken on lease from the dealer as landlord and leased back subsequently to the dealer."

1.12 The Committee also took oral evidence of the representatives of the MoP&NG on 29th February, 2008.

1.13 During the course of evidence of the Committee pointed out that at time of informal discussion with representatives of IOCL at Guwahati during the tour of the Committee, the witness stated that they would examine the matter in details and bring out some result shortly. The Committee asked about further action taken in that direction? At this, the witness, Executive Director (RS), IOCL stated as under:—

“Yes, Sir. The detailed investigation was conducted after the Guwahati discussion and it was found that the advertisement, under which Shri Tirath Ram Chauhan had given his land to the IBP company, clearly stipulated that the advertisement is for the land only and no written or verbal assurance was given otherwise, which indicates that he was to be given the dealership for the said location and this does not come under the company's policy. But we admit that as I had said in Guwahati also that we conducted his interview and after interview we decided not to allot the dealership. No record was maintained for this decision. No LoI was issued and in similar cases as mentioned by the petitioner the only difference is that the LoI was issued which got converted into LoA. Due to these reasons we are unable to allot him the dealership."

1.14 When asked about the present status of case, the witness stated as under:—

"At present the permanent COCO Company is operating and it is run by the appointed MNH contractor."

1.15 When asked whether the said RO had been operated by a private party on contract basis, the witness stated that as per the information, at present the son of the petitioner is the contractor. The witness also stated as under:—

“At present he is running it. But as per the new policy of the company, if the COCO is permanent then we post an officer of the company and operate the COCO through labour contractor. It is not the case in this regard as we do not have many officers to be posted as a business managers. At present this is an interim arrangement.”

1.16 The Committee pointed out that when the RO is being operated by the son of the petitioner then continue the same till the policy is reviewed. At this, the witness stated as under:—

“The main point is that this policy can not be continued for a long period. But whenever the company will decide to operate through labour contractor we will adopt a process to select a labour contractor and he will be appointed for the job.”

Observations/Recommendations

1.17 The Committee note that according to the petitioner an advertisement was released on 12 April 2001 for procurement of land under APM scenario and that IBP took, on lease rental, land belonging to him and other landowners for setting up RO on the promise that the landowners would be appointed as regular dealers for such ROs. Although interviews were conducted for the ROs but the result was kept withheld. The petitioner has contended that as per the guidelines of the Government issued in 2004, only such temporary COCOs which have been developed under 'A' site marketing plan location, can be allotted to the pending LoI holders. However, the site of the petitioner is neither covered under the definition of 'A' site marketing plan location nor the definition of temporary COCOs. Their COCOs are being run/ managed by the land owners or their nominees as labour contractors. Further, the COCOs are run by their investment and all the staff were employed by them. Their ROs were commissioned prior to issue of the guidelines of the Government in 2004, which do not have retrospective effect. Thus, as per the petitioner, their COCOs cannot be treated as temporary COCOs. The petitioner has also stated that all statutory clearances like no objection certificate, storage licence, electricity connection etc. were obtained by the landowners. The petitioner has further submitted that the officials of the Oil Companies have been misinterpreting the Government Policy/Orders and are attempting to allot the disputed Company Owned Company Operated (COCO)/*ad hoc* dealerships, to the pending LoI holders belonging to certain particular categories which were in fact required to be given only to the landowners. The petitioner, therefore, requested that necessary instructions may be issued to Oil Company to declare the withheld result for the selection of dealerships for the said location and that their COCO ROs may not be allotted to the pending LoI holders till the investigation is completed.

1.18 The Committee note from the reply of the Ministry/IOCL that the case of the petitioner belongs to the Administered Pricing Mechanism (APM) scenario, prior to 2002. The land was obtained in response to an advertisement for procurement of land

for commissioning of COCO RO. An advertisement was released on 12 April 2001 for procurement of land only under the APM scenario with the intention of developing a COCO against a decommissioned RO. There was no intention to allot COCO ROs only to the landowners. The Oil Company has claimed that no objection certificate and storage licences were issued by the competent authority only after the efforts of the company. Only temporary COCO ROs and not permanent ROs are being handed over to pending LoI holders and the Oil Company had never made any commitment to hand over COCO, to the land owners of COCO ROs.

1.19 The Committee were informed that the Ministry had *vide* letter dated 6 September 2006 issued broad policy guidelines, whereby public sector Oil Marketing Companies (OMCs) were advised to hand over temporary COCO ROs to pending LoI holders. The Committee further note that a Division Bench of the High Court of Delhi *vide* an order dated 8 February 2008, while disposing of 110 cases filed by various land owners challenging Ministry's guidelines dated 6 September 2006 on operation of COCO ROs has observed that the intention of the petitioners that they have a vested right to be allotted the dealerships of petrol pumps, that are being or will be operated out of the lands that they have given on lease, can not be accepted since nowhere in the lease deed, have the petroleum companies made any express or implied promise to the effect that the petrol pump dealership shall be handed over to the landowners. Further, as per the guidelines dated 6 September 2006, OMCs were also advised that permanent COCO ROs should be operated by an officer of the OMCs assessed and OMCs may post their own personnel for running such permanent COCO ROs or engage labour contractors to meet manpower requirement for such permanent COCO ROs.

1.20 According to the Ministry/Oil Company advertisement was issued for procurement of land only under the APM scenario with the intention of developing a COCO against a decommissioned RO. The facts stated in the preceding paragraphs indicate that the petitioner is running a COCO RO, for which the land was made available by the petitioner on the basis of an advertisement issued by the Company. The COCO RO was commissioned under the APM scenario which was dismantled *w.e.f.* 01 April 2002 *i.e.* before the new guidelines were issued by the Ministry on 6 September 2006.

1.21 During the course of evidence the IOCL has accepted that the petitioner was interviewed for the dealership but after the interview, dealership was not allotted and no LoI was also issued for the same to the petitioner. The Ministry also accepted that the said COCO was a permanent one and as such not liable to be allotted to pending LoI holders, under the new guidelines issued in 2006. On the other hand, the petitioner has contended that the Oil Company in their records have approved the allotment of RO. The Ministry have not been able to produce the relevant records in this regard. The Committee regret to note that no record regarding the aforesaid decision in the matter was maintained by the Oil Company. In the absence of any record, the Committee are inclined to presume that the said interview was primarily conducted for award of dealership for the location. The Committee fail to understand that if the intention of the Oil Company was not to award dealership to the petitioner, what were the compelling reasons to hold the interview in first place and then withhold the result for the same without any plausible reasons. This only goes to show the haphazard

manner in which the Oil Company treated the whole issue, as a result of which the petitioner and others were put to great harassment and inconvenience.

1.22 The Committee strongly deprecate the casual approach and attitude of the Oil Company in the matter. As per the new guidelines, the COCO RO is a permanent one and such permanent COCO RO has to be operated by the Oil Company with their own personnel and through contract labour. Presently, the COCO is being run by the son of the petitioner and this is purely an interim arrangement.

1.23 In view of the foregoing, the Committee are convinced that the petitioner was eligible for allotment of RO under landowner category in accordance with the then prevalent policy etc. The fact that the petitioner was interviewed and subsequently allowed to run the RO, further strengthens his claim for the allotment particularly in view of the absence of any contrary record with the Oil Company. The Committee are of the view that subsequent changes in the policy, etc. should not be made applicable to the past cases. The instant case is also not covered by the observation of the High Court of Delhi *vide* order dated 8 February 2008 on the cases filed by various landowners on COCO ROs, since interviews were not held in those cases. The Committee, therefore, recommend the Ministry to publish the results of the interview held in the past without any further loss of the time and considering that the petitioner was the lone applicant, take other necessary steps for regularizing the RO in favour of the petitioner within a period of two months.

CHAPTER II

REPRESENTATION FROM SHRI RAJENDER SINGH YADAV OF JAUNPUR, UTTAR PRADESH REGARDING IRREGULARITIES COMMITTED BY OIL COMPANIES IN ALLOTMENT OF PETROL/DIESEL PUMPS

2.1 Shri Rajender Singh Yadav, Member Zila Panchayat, Jaunpur, Uttar Pradesh has submitted a representation dated 8 July, 2007 alleged irregularities by oil companies in allotment of petrol/diesel pumps.

2.2 In his representation, the petitioner submitted that the Oil Companies have been doing irregularities and harassing the applicants in allotment of Petrol/Diesel Pumps. These companies are making advertisement at their own will and making money through the middlemen. Not even this, the advertisements are being cancelled without any notice and reason. For example, Hindustan Petroleum Corporation Limited issued an advertisement on 11.08.2005 in Danik Jagran Newspaper for allotment of Petrol Pump between Jaunpur and Ramdayalganj in Uttar Pradesh. The people applied for that according to their eligibility. After making enquiry from the regional office, it was told that the interview will be conducted shortly but the interviews have not yet been conducted. It has now been told that the advertisement has been cancelled and will again be published. This is an injustice to the applicants.

2.3 The petitioner has, therefore, requested that the matter may be investigated and the concerned Oil Company may be asked about the reasons for cancellation of the advertisement without giving any reason.

2.4 The representation was taken up for examination by the Committee under Direction 95 of the Directions by the Speaker. The representation was forwarded to the Ministry of Petroleum and Natural Gas (MoP&NG) on 12th July 2007 for furnishing their comments on the issues raised therein.

2.5 In response, the MoP&NG *vide* their communication dated 1.08.2007 furnished the status report as under:

“HPCL has reported that the location 'Jaunpur-Ramdayalganj' was advertised in August 2005 for setting up of a retail outlet (RO). The location falls on SH-5. The sales potential considered at the time of advertisement was about 20 KL MS and 100 KL HSD per month. Subsequently, to ensure that the network expansion is done selectively and at strategic locations, it was decided to review potential of the advertised locations afresh. HPCL has carried out a fresh feasibility study of various locations, including the subject location.

On SH-5 there are 4 industry retail outlets situated on one side of the advertised locations towards NH 56, in a stretch of about 8 KMs and there are 2 outlets on the other side of the advertised location towards Madiyahu on SH-5 in a stretch of 9 KMs. Thus there are 6 ROs *i.e.* IOC-4, BPCL-1, HPCL-1 location in a stretch

of 17 KMs on SH-5. The average sales for the ROs on this stretch of 17 KMs works out of 12 KL MS and 65 KL HSD per months per RO. Thus, it may be observed that the location 'Jaunpur-Ramdayalganj' is not feasible for setting up a RO as it will not be commercially viable.

In view of the above, interviews have so far not been conducted for this location. HPCL would initiate necessary steps to drop this location from Marketing Plan and inform the applicants regarding cancellation of the location and refund of application fees etc."

2.6 Explaining about the procedure for advertisement for a Petrol/Diesel Pumps and also the authority who decide for publishing the advertisements, The MOP&NG *vide* their communication submitted as under:

“Subsequent to the dismantling of Administered Pricing Mechanism, (APM) *w.e.f.* 1.4.2002, public sector Oil Marketing Companies (OMCs) are authorized to finalize their own Marketing Plans for setting up of retail outlets across the country. The locations are finalized based on the feasibility study and only those locations that are found to be commercially viable for opening of ROs are rostered in the Marketing Plan. These rostered locations are then advertised for award of retail outlet dealership. The rosters are approved by Head Zones in case of HPCL. The subject location ‘Jaunpur-Ramdayalganj’ was rostered in HPCL’s Marketing Plan 2005-2006 and was advertised in August, 2005. Consequently in April/May, 2006 it was decided to review potential of advertised locations afresh. In the revised study carried out for this location ‘Jaunpur-Ramdayalganj’ it was observed that the location is not commercially viable”.

2.7 In reply to a question as to whether it was not mandatory to issue a notice for cancellation of such advertisements and also whether these norms were being followed while cancelling the advertisement, the MoP&NG, in a written communication informed as under:—

“In case any advertised location is cancelled, the same is conveyed to the applicants. Further, application forms are returned and application fees refunded to the applicants. The same practice will be followed in this case.”

2.8. Regarding reasons for cancellation of advertisement for allotment of petrol pump between Jaunpur and Ramdayalganj, U.P., the MoP&NG informed the Committee as under:—

“In view of the limited sales potential of the subject location as indicated by a fresh feasibility study, HPCL is initiating necessary steps to drop this location from Marketing Plan and inform the applicants regarding cancellation of the location and refund of application fees, etc.”

In this connection the Hindustan Petroleum Corporation Ltd. (HPCL) *vide* their communication dated 8.2.2008 informed as under:—

“To ensure that the Network expansion is done selectively and at strategic locations, it was decided to review potential of the advertised locations afresh. Our Mughalsarai Regional Office carried out review of advertised locations potential afresh. It was observed the average sales for the retail outlets on this stretch of 17 KMs was 12 KL MS and 65 KL HSD per month per outlet. Thus the above location “Jaunpur-Ramdayalganj” was not feasible for setting up a retail outlet due to low potential. As per the fresh feasibility study carried out in November 2007 it has been found that the potential in the trading area is still low for putting up a new retail outlet. In view of this, interviews have not been conducted for this location. Our Regional Office would initiate necessary steps to drop the location from Marketing Plan/cancellation of location and refund of application fee.”

2.9 In reply to a question as to whether the Ministry have any check on Oil Companies on such activities, the MoP&NG have stated as under:—

“Subsequent to the dismantling of Administered Pricing Mechanism (APM) *w.e.f.* 1.4.2002, public sector Oil Marketing Companies (OMCs) have freedom in the selection of locations for opening of ROs, as per their commercial consideration after conducting feasibility study thereof.”

2.10 Thereafter, the MoP&NG were requested to furnish the following information:—

“The number and the sales potential of each of the retail outlets of HPCL running in the advertised location ‘Jaunpur-Ramdayalganj’ in Varanasi Circle, U.P.; and after how much time of advertisement, the fresh feasibility study of the subject location was conducted by HPCL and the number and names of the officers who conducted this study.”

2.11 In reply to the above, the MoP&NG *vide* their communication dated 14th September, 2007 submitted as under:—

(i) There are 6 Retail Outlets (ROs) of industry (IOC-3, BPC-1, HPC-1 and IBP-1) located in a stretch of 17 kms. on State Highway (SH). The average sales for the ROs on this stretch of 17 KMs. works out to 12 KL MS and 65 KL HSD per month per outlet. The only HPCL RO in this trading area is averaging sales of approximately 33 KL HSD per month. Thus, the advertised location ‘Jaunpur-Ramdayalganj’ is not feasible for setting up of RO.

(ii) The location ‘Jaunpur-Ramdayalganj’ was advertised on 11.8.2005 by HPCL's Mughalsarai Regional Office. To review potential of the advertised locations afresh, the fresh feasibility of the location ‘Jaunpur-Ramdayalganj’ was conducted on 5.1.2007 by Shri Rajeev Sharma, Senior Sales Officer from HPCL Mughalsarai Regional Office.”

2.12 The Committee also undertook on-the-spot study visit to Mumbai on 8th February, 2008 and hold informal discussion with the representative of the

MoP&NG and the official of H.P.C.L. During the study visit, the MoP&NG furnished the latest position in the matter as under:—

“The petition was earlier received *vide* MoP & NG letter No. R-37012/5/2007-MC dated 25.7.2007. We replied to the same *vide* our letter RET:SSP:GOV dated 26.7.2007. In our reply we had stated that the location “Jaunpur-Ramdayalganj” was advertised by our Mughalsarai Regional office in August 2005 for setting up a retail outlet. The location falls on SH-5. The sales potential considered at the time of advertisement was about 20 KL MS and 100 KL HSD per month.

Subsequently, to ensure that the Network expansion is done selectively and at strategic locations, it was decided to review potential of the advertised locations afresh. Our Mughalsarai Regional Office carried out review of advertised locations potential afresh including the location “Jaunpur-Ramdayalganj.”

It was observed during the review that on SH-5, there are 4 industry retail outlets situated on one side of the advertised location, towards NH-56, in a stretch of about 8 KMs and there are 2 outlets on the other side of the advertised location towards Madiyahu on SH-5, in a stretch of 9 KMs. Thus there are total 6 retail outlets of Industry (IOC-3, BPC-1, HPC 1 & IBP-1) located in a stretch of 17 KMs on SH-5.

The average sales for the retail outlets on this stretch of 17 KMs was 12KL MS and 65 KL HSD per month per outlet. Thus it may be observed that the above location “Jaunpur-Ramdayalganj” is not feasible for setting up a retail outlet as it may not be commercially viable.

In August 2007, discussions were held in the Chamber of Chairman, Petitions Committee on the above petition with the officers of HPCL. We were advised that the fresh feasibility study of the location should be conducted. Accordingly fresh feasibility study of the location “Jaunpur-Ramdayalganj” was conducted in November 2007.

From Jaunpur side (NH-56), the following Industry outlets are located on SH-5. Details with sales performance for the current year *i.e.* April-October 2007 are as under:—

Sl. No.	Name of Oil Co.	Location of outlet	Average sales per month (Apr.-Oct. 2007)	
			MS	HSD
1.	IBP	1 KM from NH56, LHS of SH-5	12	51
2.	IOC	3 KM from NH56, LHS of SH-5	33	148
3.	HPC	3.8 KM from NH56, RHS of SH-5	0	29
4.	BPC	4.5 KM from NH56, LHS of SH-5	12	46
5.	IOC	12 KM from NH56, RHS of SH-5	29	66
6.	IOC	17 KM from NH56, RHS of SH-5	20	41
			106	381
		Average per month per dealer	18	64

The average sales volume of these Retail Outlets comes to 18 KL MS and 64KL HSD per month. From the above it is clear that even the estimated potential is low in the trading area. Thus the subject location "Jaunpur-Ramdayalganj" does not meet the desired norms for putting up a new outlet."

2.13 In reply to a question as to after how much time of advertisement, the fresh feasibility study of the subject location was conducted by HPCL and the number and names of officials who conducted that study, the HPCL *vide* their communication dated 2.8.2008 submitted as under:

"The fresh feasibility has been carried out after more than 2 years from the date of advertisement. As stated above in reply to question No. 1 above, we were advised by the Committee on Petitions that the fresh feasibility study of the location should be conducted. Accordingly fresh feasibility study of the location "Jaunpur-Ramdayalganj" was conducted in November 2007 by a team of three officers *i.e.* Executive Sales Officer-Mirzapur Sales Area Shri Rajeev Sharma, Executive Engineering Officer E&P, Shri P.P. Roy and Manager E&P Shri A. K. Singh."

2.14 The Committee took oral evidence of the MoP&NG/HPCL at their sitting held on 28th April, 2008. The Committee was informed that the feasibility survey of the subject location was conducted but the same was not found commercially viable.

Observations/Recommendations

2.15 The Committee note from the submission of the petitioner that the Hindustan Petroleum Corporation Limited (HPCL) issued an advertisement on 10.08.2005 for allotment of a petrol pump between Jaunpur and Ramdayalganj in Uttar Pradesh. However, no interviews were conducted for the same and ultimately the said advertisement was cancelled. According to the petitioner, it was contended by the company that fresh advertisement will again be published for the purpose. The petitioner therefore, requested that the matter may be investigated and the concerned Oil Company may be asked about the reasons for cancellation of the advertisement without giving any reason.

2.16 The Committee note that the location 'Jaunpur-Ramdayalganj' on State Highway-5 was advertised by HPCL in August 2005 for setting up of a retail outlet (RO). The sales potential considered at the time of advertisement was about 20 KL MS and 100 KL HSD per month. Subsequently, to ensure that the network expansion is done selectively and at strategic locations, it was decided to review the potential of the advertised locations afresh. Thus HPCL had carried out a fresh feasibility study of various locations, including the subject location. On SH-5, there are 4 industry retail outlets situated on one side of the advertised locations towards NH 56, in a stretch of about 8 KMs and there are 2 outlets on the other side of the advertised location towards Madiyahu on SH-5 in a stretch of 9 kms. Thus, there are 6 ROs *i.e.* IOC-4, BPCL-1, HPCL-1, location in a stretch of 17 kms. on SH-5. The average sales for the ROs on this stretch of 17 KMs works out of 12 KL MS and 65 KL HSD per month per RO. Thus, according to the HPCL, the location 'Jaunpur-Ramdayalganj' has not been found feasible for setting up an RO as it will not be commercially viable. In view of the

foregoing, interviews have so far not been conducted for this location. HPCL would initiate necessary steps to drop this location from Marketing Plan and inform the applicants regarding cancellation of the location and refund of application fees etc.

2.17 The Committee have been informed that subsequent to the dismantling of Administered Pricing Mechanism (APM) w.e.f. 1 April 2002, public sector Oil Marketing Companies (OMCs) are authorized to finalize their own Marketing Plans for setting up of retail outlets across the country. The locations are finalized based on the feasibility study and only those locations that are found to be commercially viable for opening of ROs are rostered in the Marketing Plan. These rostered locations are then advertised for award of retail outlet dealership. The rosters are approved by Head Zones in case of HPCL. The subject location 'Jaunpur-Ramdayalganj' was rostered in HPCL's Marketing Plan 2005-2006 and was advertised in August, 2005. Subsequently in April/May 2006 it was decided to review the potential of advertised locations afresh. In the revised study carried out for this location 'Jaunpur-Ramdayalganj', it was observed that the location is not commercially viable for setting up a Retail Outlet due to low potential. As per the fresh feasibility study carried out in November 2007, it has again been found that the potential in the trading area is still low for setting up a new retail outlet.

2.18 The Committee are constrained to note that the subject location under reference, *i.e.* 'Jaunpur-Ramdayalganj' was cancelled even though the same was advertised under Marketing Plan 2005-06 of the HPCL. The Oil Company has not indicated the relevant provisions of the Marketing Plan or the guidelines under which the subject location, once advertised, after feasibility study, could be cancelled. The Committee feel that the Oil Company should, in first instance, carry out the detailed feasibility studies in the first instance itself. They are of the view that once the Oil Company goes in for an advertisement for allotment of ROs, the same should not be cancelled except in rare circumstances, in order to avoid unnecessary harassment and inconvenience to the applicants. The abrupt cancellation of advertisement without any plausible reason gives rise to the applications raising allegations of irregularities and malpractices in the selection of the candidates for award of dealerships. In view of the foregoing, the Committee recommend that the Oil Company should strictly follow the Marketing Plan for award of dealership and should not give any cause of complaint or grievance to the applicants. The Committee would also urge review of the potential of advertised subject location afresh for award of dealership with due consideration of its likely increase in coming years and the ingenuity and skills of the prospective candidate to augment the same, further to make it economically viable. The Committee would like to be apprised of the action taken by the Ministry/Oil Company in this regard.

CHAPTER III

ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS MADE BY THE COMMITTEE ON PETITIONS (FOURTEENTH LOK SABHA) IN THEIR FIFTEENTH, SIXTEENTH AND TWENTY-FIRST REPORTS ON THE REPRESENTATIONS REGARDING IRREGULARITIES IN AWARD OF DEALERSHIPS/DISTRIBUTORSHIPS BY IOCL/BPCL/HPCL AND OTHER RELATED ISSUES

3.1 The Committee on Petitions in their Fifteenth Report (Fourteenth Lok Sabha) presented to Lok Sabha on 23 May, 2006 had dealt with the representations regarding irregularities in award of Dealerships/Distributorships by IOCL/BPCL/HPCL and other related issues.

3.2 The Committee made certain observations/recommendations in the matter and the Ministry of Petroleum and Natural Gas (MoP&NG) were requested to implement the recommendations and furnish their action notes for the consideration of the Committee.

3.3 Action Taken Notes have been received from the Ministry of Petroleum and Natural Gas in respect of all the recommendations contained in the Report. The recommendations made by the Committee in respect of Shri Niraj Kumar Singh, Smt. Ramba Sinha, Shri Ajay Kumar Singh and Shri Subhash Singh and the replies thereto furnished by the Ministry are detailed in the succeeding paragraphs.

Case of Shri Niraj Kumar Singh

3.4 In Paras 18.0 to 18.04 of the Report, the Committee had observed as follows:—

“The Committee note that the petitioner applied for LPG distributorship of IOCL in district Supaul, Bihar in response to an advertisement on 29.02.2004. On the basis of interview held on 21.06.2004, he was declared second. However, the petitioner was not satisfied with outcome of the interview and represented against the first empanelled candidate Shri Ajay Kumar Singh with the request that the petitioner may be allotted the said gas agency.

The Committee note that an advertisement inviting applications for LPG Distributorship at Supaul was released on 29.02.2004 against the terminated distributorship of M/s Sangeeta Indane. This distributorship was terminated on 16.07.2002 for violation of various terms and conditions of the Distributorship Agreement. Aggrieved by this termination, the Distributors approached the Court through various writ petitions/appeals. Selection against the said advertisement was made in June 2004 and one Shri Ajay Kumar Singh was selected. The Court passed an interim order that any allotment of LPG distributorship shall be subject to the outcome of the case.

The Committee were also informed that a high level two members Committee constituted by IOCL found that Dealer Selection Committee (DSC) had not followed the laid down guidelines with respect to selection of the candidates and therefore the entire process stood vitiated. DSC had taken cognizance of documents submitted at the time of interview subsequent to the date of application which were not in accordance with the guidelines in the matter. However, according to the assessment made by the said Committee, the petitioner was empanelled first and the selected candidate was listed at Sl. No. 2. They also remarked that any decision regarding scraping of panel and fresh selection of LPG distributorship from the original applicants against advertisement dated 29.02.2004 could not be taken in lieu of the directives from the Court where final decision is awaited.

The Committee observed that on the basis of the analysis even by the high level committee constituted by IOCL found the claim of the petitioner as true as a result of which the petitioner was empanelled first for the allotment of distributorship at Supaul. The Committee were not convinced with the explanation given by the IOCL that even after finding the points raised by the petitioner as true, he was not given justice and no effective action was taken by the IOCL/Ministry in the matter. The Committee feel that the DSC had wrongly placed the petitioner at Sl. No. 2. As per the guidelines of the company if the first empanelled candidate become ineligible, for any reason, whatsoever, the second empanelled candidates get the opportunity for appointment as dealer/distributor. According, the Committee recommend that the petitioner may be appointed as IOCL dealer at Supaul without further delay as there was no interim decision of the Court in the context. However, if there is any decision of the court in the matter in future, the same will be effective. The Committee would like to be apprised of the action taken in the matter within a period of one month.”

3.5 In their Action Taken reply, the Ministry of Petroleum and Natural Gas have stated as follows:—

“IOC has reported that a decision to issue Letter of Intent (LoI) based on a selection process that has been found to be vitiated, will deprive other applicants who had appeared in the same interview, a fair chance for selection. As such, IOC has suggested that the merit panel should be scrapped and fresh selection be made amongst the candidates who had appeared in the earlier interview.

IOC further reported that the allegation of the petitioner that the 1st empanelled candidate Shri Ajay Kumar Singh is an old dealer has not been substantiated. The application of the petitioner, is therefore, liable to be rejected as per the extant policy of IOC.”

3.6 The Committee took oral evidence of the MoP&NG at their sitting held on 29.02.2008 to review the action taken by the MoP&N/IOCL on the recommendations made by the Committee in their Fifteenth Report (14th Lok Sabha). During the course of evidence, the witness from the IOCL assured the Committee that the case of the

petitioner will be reviewed. In their written reply *vide* their communication dated 25.04.2008, the MoP&NG/IOCL stated as under:—

“IOC has informed that acceptance of the recommendations of Committee on Petitions for issuing LoI to Shri Neeraj Kumar Singh will not be in order as the selection process of LPG distributorship at Supaul has been vitiated. IOC has reviewed the case and has requested to be allowed to conduct the interview afresh with all the eligible applicants who had appeared in the earlier interview.”

3.7 The Committee again reviewed the action taken by the MoP&NG/IOCL in the matter on 28.04.2008.

Observations/Recommendations

3.8 The Committee note that distributorship of M/s Sangeeta Indane, Distt. Supaul, Bihar was terminated on 16 July 2002 and an advertisement inviting application for new distributorship against it was released on 29 February 2004. On an application of the aggrieved distributor the Court passed an interim order that any allotment of new LPG distributorship shall be subject to the outcome of the case. On 21 June 2004, the interview for the selection of new distributorship was held in which the petitioner was empanelled second. The Committee took up for examination the representation submitted by the petitioner and found that Dealer Selection Committee had not followed the laid down guidelines with respect to selection of candidates and therefore the entire process stood vitiated. On a subsequent enquiry, a high level Committee constituted by IOCL accepted the claim of the petitioner and empanelled him at first place. The Committee were surprised that even after upholding the contention of the petitioner, no remedial step was taken by the IOCL/Ministry in the matter thereby causing further harassment to the petitioner. The Committee had, therefore, recommended that the petitioner may be appointed as IOCL dealer at Supaul without further delay, subject to final decision of the Court. The Committee reviewed the case on 29 February 2008 and 24 April 2008 on the basis of further submissions made by the Ministry/IOCL. The Committee are constrained to observe that despite having admitted that the petitioner ought to have been empanelled first, the IOCL has for unjustifiable reasons suggested scrapping of merit panel and to make fresh selection from amongst the candidate who had appeared in the earlier interview. The Committee strongly deprecate the callous attitude of the IOCL towards the people of the area who have been suffering for want of regular distributorship in their area since 2002 apart from the injustice being meted out to the petitioner. During the course of evidence on 29.02.2008 and 28.04.2008, the Ministry/IOCL could not furnish any new evidence which could afford the Committee to re-consider their earlier recommendation. The Committee, therefore, reiterate that petitioner may be issued LoI for appointment as IOCL dealer at Supaul without further loss of time.

Case of Shrimati Ramba Sinha

3.9 In Paras 19.0 to 19.2 of the Report, the Committee had observed/recommended as follows:—

“The Committee note that the petitioner applied for the LPG distributorship in response to an advertisement on 18th February 2002 at Basantpur, District-

Siwan, Bihar. She was interviewed on 21.11.2003 wherein the petitioner was the first empanelled candidate. IOCL did not raise any objection during Field Investigation Report (FIR). However, a complaint was received from the third empanelled candidates against the first and second empanelled candidates stating that they had not given any information regarding availability of land in the application form nor given any offer from the land owner as was required under the guidelines. The complainant felt that he scored over both these candidates in all the parameters. The case was examined by a high level two member committee. In their findings, the committee stated that a complaint was received from the second empanelled candidate on 17.12.2003 against the petitioner in which he mentioned about the dispute of land pending in the court, which he subsequently *vide* letter dated 14.02.2004 substantiated by submitting documents. According to the findings of the said committee, the DSC had not awarded the marks for different criteria as per the laid down guidelines and also took cognizance of documents submitted by the candidates subsequent to the date of application which was not in line with the guidelines. The sale deed dated 18.11.2003 was subsequent to the date of application which could not be taken cognizance of as per the guidelines of MoP&NG. The two member Committee arrived at the conclusion that the selection procedure was vitiated and the said selection was already scrapped with the approval of ED (LPG).”

The Committee note that LoI to the selected candidate is issued within 30 days from the date of interview/publication of result. The petitioner was interviewed and merit panel was published on 22.11.2003. FIR in her case was conducted on 31.01.2004 during which no objection was raised. The complaint against the petitioner was received on 17.12.2003 about the dispute of land pending in the Court without any documents supporting the said allegation. The complaint submitted the documents in support of his allegation only on 14.02.2004 *i.e.* after two and a half months from the date of interview/result. The interregnum period from the date of publication of merit panel and the said complaint *i.e.* between 22.11.2003 to 14.02.2004 was more than 30 days. The Committee are distressed to note that as to why LoI could not be issued to the petitioner within the stipulated period of 30 days. It appears that the officials of IOCL were just waiting for any complaint from any quarter so as to give them as excuse of deny the dealership to the petitioner. The Committee also note that the IOCL did not ask for any documents at the time of advertisement but the petitioner produced documents at the time of her application regarding possession of land and another document to that effect at the time of interview with the intention to start the business as suited to the company. The committee observe that in a similar case (dealt with subsequently), the dealer select was given opportunity to procure an alternate land. The Committee feel that the company had taken inconsistent and contradictory stands on the same issue and were not satisfied with the explanation adduced by them. The Committee are surprised to note that if the officer who conducted FIR did not find any objection to open the dealership on the basis of documents produced by the petitioner at that time, then how the same could not be accepted by another officer of the company. This shows that there was a deliberate attempt with malafide intention to harass the petitioner. The Committee therefore desire that action should be initiated against the officer for his conduct.

After perusal of all the documents and evidence taken, the Committee recommended that the petitioner may be issued LoI within a period of one month.”

3.10 In their Action Taken reply, the Ministry of Petroleum and Natural Gas have stated as follows:—

“As regards the non-issuance of LoI within 30 days, IOC has informed that LoI to selected candidate is normally issued within 30 days, provided no complaint is received and pending for disposal against the selection and/or no stay is given by any court. In the subject case, two complaints were received on 24.11.2003 whereas merit panel was declared and displayed on 22.11.2003. Therefore, LoI could not be issued within 30 days.

IOC has also reported that issuance of LoI to Smt. Rambha Sinha (as recommended by Committee of Petitions), on the basis of selection process which is vitiated, will deprive other applicants who had appeared in the same interview a fair change for selection. Therefore, IOC has suggested that it may be allowed to conduct fresh interviews of all the eligible applicants who had appeared in the earlier interview.

IOC has further added that it has already initiated disciplinary action as per Corporations' Conduct Rules against the erring officer of the Corporation."

3.11 The Committee took oral evidence of the MoP&NG at their sitting held on 29.02.2008 to review the action taken by the MoP&NG/IOCL on the recommendations made by the Committee in their Fifteenth Report (14th Lok Sabha). In their written reply the MoP&NG/IOCL vide their communication dated 25.4.2008 stated as under:—

“IOC has informed that acceptance of the recommendations of Committee on Petitions for issuing LoI to Shrimati Rambha Sinha will not be in order as the selection process of LPG distributorship for the location Basantpur, District, Siwan at in Bihar has been vitiated. IOC has reviewed the case and has requested to be allowed to conduct the interview afresh with all the eligible applicants who had appeared in the earlier interview."

3.12 The Committee again reviewed the action taken by MoP&NG/IOCL in the matter on 28.04.2008.

Observations/Recommendations

3.13 The Committee note that the petitioner Smt. Rambha Sinha, was empanelled first for the LPG distributorship at Basantpur, Distt. Siwan, Bihar on the basis of interview held on 21 November 2003. The complaint against the petitioner was received on 17 December 2003 disputing the land offered by the petitioner. The Complaint was without any supporting documents which were submitted only on 14 February 2004, i.e. 2½ months after the date of interview/results. The Committee were surprised that the petitioner was not issued LoI within a period of 30 days, as required under the guidelines as if the IOCL were waiting for the complaints so that the petitioner could be denied her rightful claim. No discrepancy was found by the officer who conducted

FIR in the case of petitioner. The Committee had, therefore, recommended that action should be initiated against officers for his conduct and the petitioner may be issued LoI for the dealership within a period of one month.

3.14 The Committee reviewed the case on 29 February 2008 and 28 April 2008 on the basis of the replies furnished by the Ministry/IOCL. The Committee are distressed at the stand taken by the IOCL which goes against the spirit of the guidelines providing for issue of a LoI within a period of 30 days from the date of publication of the result for a distributorship. The Committee are convinced that there was a deliberate attempt with malafide intention to harass the petitioner and deny her dealership. This is substantiated by the fact that IOCL has found their officer guilty and have initiated action against him. During the course of evidence on 29.02.2008 and 28.04.2008, the Ministry/IOCL could not furnish any new evidence which could afford the Committee to re-consider their earlier recommendation. The Committee, therefore, once again recommend that the LoI for the dealership may be issued to the petitioner without further loss of time since nearly 4½ years have already been elapsed after the publication of results.

Case of Shri Ajay Kumar Singh

3.15 In Paras 21.0 to 21.2 of the Report, the Committee had observed/recommended as follows:—

“The Committee note that the petitioner applied for allotment of Kerosene dealership in response to an advertisement dated 26.05.1998 but the same was cancelled by IOCL. The petitioner applied again for the dealership at Jalalpur when the advertisement was again published on 01.09.2000. The IOCL conducted interview for SKO-LDO dealership at location Jalalpur, District-Bihar on 17th-18th, November, 2003. The petitioner appeared for interview and was empanelled first in the merit panel conducted by DSC. As per the guidelines, FIR was to be conducted before issue of LoI. In the meantime, there were three anonymous complaints which were filed as per the policy guidelines. However, another complaint from the second empanelled candidate was received on 07.01.2004. The said complaint was investigated by IOCL and the allegation of influence on DSC could not be established. However, the two-member Committee found that DSC did not award marks for different criteria as per the laid down guidelines. Irregularities were also observed in awarding marks under age, qualification etc. by DSC. The said Committee concluded that the selection process for the dealership was vitiated and the merit panel was scrapped. It was proposed to hold fresh interviews from amongst the candidates who had appeared for the interview, for the said location however, the two members Committee observed the FIR in respect of the petitioner should have been conducted and issued LoI during the period from the date of display of merit panel on 17th-18th, November, 2003 to the date of complaint received on 07.01.2004. To that extent, according to the two-member Committee, there was harassment to the petitioner.

The Committee observed that the complaint against the petitioner was received after 52 days from the date of publication of the result on 17th-18th, November 2003.

As per the guidelines of the IOCL, FIR should have been conducted within 30 days and LoI should have been issued to the petitioner. It appears that certain officer of IOCL was interested in the case and was waiting for a complaint against the petitioner and the moment the complaint was received after 52 days investigation against the petitioner was initiated. Although there was no fault of the petitioner, the officer recommended for cancellation of the Retail Outlet and recommended the name of the candidate who stood second. Keeping all the aspects in view and the facts in the matter, the Committee come to the conclusion that the petitioner has to undergo harassment and inconvenience for no fault on his part and therefore would like that action should be taken against the concerned officer. Since the petitioner was empanelled first and the complaint against him was received after 52 days, the Committee recommend that the petitioner may be issued LoI immediately without any further delay. The Committee also desire that the action taken by the Company in the matter may be appraised to the Committee within a period of one month.”

3.16 In their Action Taken reply, the Ministry of Petroleum and Natural Gas have stated as follows:—

“IOC has reported that it has taken cognizance of the avoidable delays at each stage and also taken disciplinary action against the concerned officers through respective Competent Disciplinary Authority as per rules of conduct.

IOC has reported that a decision to issue Letter of Intent (LoI) based on a selection process that has been found to be vitiated, will deprived other applicants who had appeared in the same interview, a fair chance for selection. As such, IOC has suggested that the merit panel should be scrapped and fresh selection be made amongst the candidates who had appeared in the earlier interview.”

3.17 The Committee took oral evidence of the MoP&NG at their sitting held on 29.02.2008 to review the action taken by the MoP&NG/IOCL on the recommendations made by the Committee in their Fifteenth Report (14th Lok Sabha). During the course of evidence, the Committee were informed that the case of the petitioner is before the High Court of Patna and the matter is listed for hearing but the Court has not given any interim order in the case. However, the Court has sought advice on the recommendation of the Committee and that why the said recommendation of the Committee has not been implemented by the Oil Company.

3.18 In their written reply, the MoP&NG/IOCL *vide* their communication dated 25.4.2008 stated as under:—

“The case of Shri Ajay Kumar Singh has been reviewed by IOC. IOC has informed that the matter is presently sub-judice in the High Court of Patna. Further action in the matter will be taken based on the final Judgement of the Writ petition filed by Shri Ajay Kumar Singh in the Hon'ble High Court of Patna. IOC has further informed that the judgement in the case of SKO/LDO dealership at Dharaundha, District Siwan where LoI has been given to Shri Subhash Singh on the basis of the Court's directions can not be considered as a precedent for other cases.”

3.19 The Committee again reviewed the action taken by the MoP&NG/IOCL in the matter on 28.4.2008.

Observations/Recommendations

3.20 The Committee note that the petitioner was empanelled first for SKO-LDO dealership at location Jalalpur, District-Bihar on the basis of interview held on 17-18 November 2003. However, no LoI was issued to the petitioner for the dealership on the basis of the complaint against the petitioner which was received after 52 days from the date of publication of the result on 17-18 November 2003. As per the guidelines of the IOCL, FIR should have been filed within 30 days and LoI should have been issued to the petitioner. Keeping all the material facts in view, the Committee recommended that the petitioner may be issued LoI for the dealership immediately without any further delay. The Committee are not satisfied with the explanation of the IOCL that LoI could not be issued to him as the selection process was found to be vitiated as this aspect was kept in view by the Committee while making its recommendation. It was brought to the notice of the Committee that the case of the petitioner is before the High Court of Patna but the Court has not given any interim order in the case. In the absence of any interim order of the Court, the Committee feel that the petitioner is unnecessarily being harassed for no fault on his part. In the normal course, the petitioner should have been issued LoI within 30 days which the Oil Company failed to do so with no plausible reasons for the same. During the course of evidence on 29.02.2008 and 28.04.2008, the Ministry/IOCL could not furnish any new evidence which could afford the Committee to re-consider their earlier recommendation. The Committee, therefore, reiterate that the LoI be issued to the petitioner for running the dealership without further delay.

Case of Shri Subhash Singh

3.21 In Paras 22.0 to 22.2 of the Report, the Committee had observed/recommended as follows:—

“The Committee note that the petitioner applied after dealership of Kerosene at Dharaundha in District Siwan, Bihar in response to an advertisement by IOCL for which interview was held on 22.11.2003. He was empanelled first. His documents were inspected during FIR and the same was found in order. The concerned officer recommended for grant of approval for issuance of LoI in favour of the petitioner. Before the LoI could be issued to the petitioner, a complaint was received against the selection from Shri Anand Pratap Sahi on 02.01.2004. Later on, an affidavit was submitted in the name of complainant stating that the said complaint was not made by him. However, the investigating Officer recommended for the review of selection and approved fresh interview from among the candidate who have appeared in the interview, by cancelling the merit panel. The two members Committee reviewed and investigated the entire selection process of the case. The said Committee investigated the case by taking cognizance of the report of the investigating Officer and by perusing various other documents. The said Committee came to the conclusion that the award of marks by the DSC was not in line with the laid down norms and hence the selection process was vitiated and re-interviews were planned. The said Committee also concluded that the processes of continuation of investigation by the Investigation Officer was not in order as the complainant had submitted

an affidavit claiming that he had not made the complaint. The Committee also felt that the interest of the first candidate *i.e.* the petitioner got affected due to delay in issuing LoI.

The Committee note that there were five charges against the petitioner. The first charge was that the certificate of matriculation was forged but the authenticity about the certificate could not be verified. The second charge was that the land for godown is five km. away from the location. However, the advertisement for dealership did not specify any requirement of land. On the other hand, the petitioner had given offer of land. The third charge against the petitioner was that the money shown in the bank account did not belong to him. The Committee feel strange as to how it could be known that the money shown in the bank account does not belong to the petitioner. The Committee also feel distressed to note that Investigating Officer continued to carry out his investigation even after the notice from the complainant was received that he had not given the complaint. The two member Committee also felt that the process of continuation of investigation by the said officer was not in order. This only goes to show the malafide intention of the Investigating Officer to harass the petitioner. The case has been pending for the last two years for want of any decision in the matter and the petitioner, in the process was put under great inconvenience. After considering all the facts in the case, the Committee strongly recommend that the petitioner may be issued LoI immediately without any further delay. The Committee also recommend that action be taken against the officer responsible for inordinate delay in issuing LoI to the petitioner and the action taken in the matter may be informed to the Committee within a period of one month.”

3.22 In their Action Taken reply, the Ministry of Petroleum and Natural Gas have stated as follows:—

“IOC has informed that it has taken cognizance of the avoidable delays at each stage and also taken disciplinary action against the concerned officers through respective Competent Disciplinary Authority as per rules of conduct.

IOC has reported that a decision to issue Letter of Intent (LoI) based on a selection process that has been found to be vitiated, will deprive other applicant who had appeared in the same interview, a fair chance for selection. As such, IOC has suggested that the merit panel should be scrapped and fresh selection be made amongst the candidate who had appeared in the earlier interview.”

3.23 The Committee took oral evidence of the MoP&NG at their sittings held on 29.2.2008 and 28.4.2008 to review the action taken by the MoP&NG/IOCL on the recommendations made by the Committee in their Fifteenth Report (14th Lok Sabha). During the course of evidence, the Committee were informed that LoI to the petitioner has been issued and the RO is in the process of commissioning.

Observations/Recommendations

3.24 The Committee note that the petitioner, who had applied for dealership of Kerosene at Dharaundha in District Siwan, Bihar on the basis of interview held on

22 November 2003 was empanelled first. However, before the LoI could be issued to the petitioner, a complaint was received against the selection which later on, turned out to be fake. The two member Committee of the IOCL reviewed and investigated the entire selection process of the case and came to the conclusion that the award of marks by the DSC was not in line with the laid down norms and hence the selection process was vitiated and interviews were planned again. The said Committee also concluded that the process of continuation of investigation against the petitioner was not in order as the complainant had submitted an affidavit claiming that he had not made the complaint and in the process the interest of the petitioner got affected due to delay in issuing LoI. After considering all the facts in the case, the Committee had strongly recommended that the petitioner may be issued LoI immediately without any further delay. The Committee also recommended that action be taken against the officer responsible for inordinate delay in issuing LoI to the petitioner. During the course of evidence, the Committee were informed that LoI has since been issued to the petitioner. However, the Committee are anguished to note that the LoI to the petitioner has been issued only at the directions of the Court. The Committee deprecate this attitude of the Ministry/IOCL in the matter. In any case the Committee are satisfied to note that the RO allotted to the petitioner has since been commissioned. However, the Committee would like to be apprised of the action taken against the officer for the inordinate delay in issue of LoI to the petitioner as recommended earlier.

Case of Shri Saroj Kumar Singh

3.25 The Committee on petitions also presented Twenty-First Report (14th Lok Sabha) of the Committee to the House on action taken by the Government on the recommendations made by the Committee on Petitions (14th Lok Sabha) in their Sixteenth Report on the representations containing issues regarding alleged irregularities committed by the oil companies in awarding of dealerships/distributorships for various locations.

3.26 One of the cases dealt in the Twenty-First Report relate to Shri Saroj Kumar Singh on which the Committee recommended in their action taken replies in paras 18 to 20 as under:—

“The Committee note that one Petrol Pump was allotted to Shri Saroj Kumar Singh by IOCL in village Phulwaria, Distt. Gopalganj, Bihar. He was issued LoI for the same on 16.05.2002. In the meantime a controversy arose in the media over the irregularities in the selection of dealers/distributor of petroleum products. As a result of review, the Government cancelled all allotments of dealerships/distributorships allotted on the basis of selection from January 2000 onwards. Subsequently, the matter went before the Supreme Court of India and the Court in its judgement quashed the cancellation order of the Government except in respect of cases which were reported in the media. Since the RO at Phulwaria came under the purview of the said cancellation of the Government, LoI issued to Shri Saroj Kumar was withdrawn by the Company on 14.08.2002. Subsequently, the Court removed the said restriction and Shri Saroj Kumar was asked to proceed with the proposed dealership. However, the petitioner had made a request for change of location on the ground that certain other companies have already

opened their outlets and as a result thereof, the new outlet would not be commercially viable. The Committee observed that there was no provision in the prevalent guidelines for change of location at LoI stage. Against this background, the Committee recommended that the demand of dealer select for resitement should not have been entertained by the Oil Company.

Notwithstanding the aforesaid observations/recommendations of the Committee, the matter has been reconsidered in the light of the another representation from the petitioner. The Committee note that the dealer-select could not proceed with the opening of the outlet at the proposed location *i.e.* at Phulwaria for the reasons including the orders of Hon'ble Supreme Court which were entirely beyond his control. During the interregnum period, other oil companies had already opened their outlets at the said location. As a result thereof the opening of another outlet at the original location would not have been commercially viable. The Committee, therefore, feel that the demand of the petitioner for change of location with certainly not without any merit or substance. Even at one stage the oil company had in fact conducted a feasibility study for an alternate location. This only goes to show that the company was prepared to allot a new site to the dealer-select namely Shri Saroj Kumar. Had there not been taken any controversy in the media or had the Government or the Court not impose any restrictions, the dealer-select would have proceeded with the setting up of retail outlet at the proposed location, *i.e.* village Phulwaria. Even after withdrawal of restriction by the Court, the request by the dealer-select was allowed to remain unsettled/ pending unreasonably for more than three years. The Committee, therefore, feel that due to non-settlement of his request, the dealer-select remained unemployed and at the same time the company also suffered losses which it would have earned otherwise in the normal course but for non-opening of the outlet.

In view of the foregoing and after considering the whole issue in all its perspective, the Committee recommended that the demand of the dealer-select for resitement of location from Phulwaria may be considered for opening of retail outlet allotted to him and LoI issued to him for the purpose may be resorted."

3.27 In their Action Taken Note on the action taken reply, the MoP&NG have stated as under:—

“Indian Oil Corporation Limited (IOCL) has reported that in accordance with the recommendations of the Committee on Petitions (CoP), Lok Sabha in its sixteenth report, received in the month of September 2006 pertaining to the above, and in line with the extant policy guidelines, the Letter of Intent (LoI) issued to Shri Saroj Kumar was withdrawn after obtaining approval of the Competent Authority as the LoI holder could not provide the requisite land at the advertised location within the stipulated time, as specified in the terms and conditions of the LoI. Now, since LoI has already been withdrawn, IOC is unable to consider/ take any further action for revival of LoI as per extant policy.”

3.28 The Committee took oral evidence of the MoP&NG at their sittings held on 29.02.2008 and 28.04.2008 to review the action taken by the MoP&NG/IOCL on the recommendations made by the Committee in their Fifteenth Report (14th Lok Sabha).

During the course of evidence, the Committee were informed that the Oil Company withdrew the LoI issued to the petitioner in the pursuance of the decisions of the Committee in their Sixteenth Report (14th Lok Sabha).

Observations/Recommendations

3.29 The Committee note that LoI was issued to the petitioner by IOCL on 16 May, 2002 for opening of a Petrol Pump in village Phulwaria, Distt. Gopalganj, Bihar. However, the petitioner could not proceed with the opening of the outlet at the proposed location as other oil companies had already opened their outlets at the said location rendering the original location commercially unviable. The petitioner, therefore, demanded for change of location for setting up of the proposed R.O. But the request of the petitioner remained unsettled/pending unreasonably for more than three years. The Committee were subsequently informed that the LoI issued to the petitioner was withdrawn as he could not provide the requisite land at the advertised location within the stipulated time. The Committee were inclined to believe the contention of the petitioner that he had offered several sites to the IOCL for the proposed R.O. which were deliberately ignored by IOCL to harass the petitioner. During the course of evidence, the Ministry/IOCL could not furnish any counter argument in this regard. After considering the whole issue in all its perspective, the Committee had recommended that the demand of the petitioner for resitement of location from Phulwaria may be considered for opening of the retail outlet allotted to him and LoI issued to him for the purpose may be restored.

3.30 The Committee are deeply anguished to note that the Oil Company is not consistent and honest in the implementation of recommendation of the Committee since the Company has taken different stand on the same issue according to its whims and suitability. While the Company adduced its explanation and felt difficulty in implementing or accepting certain recommendations of the Committee, at the same time they have found it easy to accept certain recommendations of the Committee which suited them. During the course of evidence on 29.04.2008 and 28.04.2008, the Ministry/IOCL could not furnish any new evidence necessitating the Committee to re-consider their earlier recommendation. The Committee, therefore, reiterate their recommendation to restore LoI issued to the petitioner for running the R.O. without further delay. The Committee would like to be apprised of the action taken in the matter.

NEW DELHI;
30 April, 2008

10 Vaisakha, 1930 (Saka)

PRABHUNATH SINGH,
Chairman,
Committee on Petitions.

MINUTES OF THE SEVENTY EIGHTH SITTING OF THE COMMITTEE ON
PETITIONS (FOURTEENTH LOK SABHA)

The Committee on Petitions sat on Friday, 29th February, 2008 from 1500 hours to 1600 hours in Committee Room No. 62, First Floor, Parliament House, New Delhi.

PRESENT

Shri Prabhunath Singh — *Chairman*

MEMBERS

2. Shri N.S.V. Chitthan
3. Shri Mohan Jena
4. Shri C. Kuppusami
5. Adv. Suresh Kurup
6. Shri Dharmendra Pradhan
7. Kunwar Jitin Prasad
8. Shri Kishan Singh Sangwan

SECRETARIAT

1. Shri A.K. Singh — *Director*
2. Shri U.B.S. Negi — *Deputy Secretary*
3. Shri V.P. Gupta — *Under Secretary*

WITNESSES

Ministry of Petroleum and Natural Gas

1. Shri S. Sundareshan, Additional Secretary
2. Shri D.N. Narasimha Raju, Joint Secretary
3. Shri Pramod Nangia, Director
4. Shri Sanjay Gupta, Deputy Secretary
5. Shri Lalchandama, Under Secretary
6. Ms. Usha Bala, Under Secretary

Indian Oil Corporation Limited

1. Shri G.C. Daga, Director (Marketing)
2. Shri A.M.K. Sinha, ED (RS)
3. Shri Mrinal Roy, ED (BSO)
4. Shri A.N. Jha, G.M. (BSO)
5. Shri M.S. Shinde, Sr. Manager (RS)
6. Shri Subrat Kar, SEA to Director (M)

Bharat Petroleum Corporation Limited

1. Shri S. Radhakrishnan, Director (Marketing)
2. Shri Pallav Ghosh, G.M. (Retail)
3. Shri Sharad Sharma, Dy. G.M. (LPG)
4. Shri K. Sivakumar, Chief Manager (Retail)
5. Shri A.K. Seth, Chief Manager (Coord.)

Hindustan Petroleum Corporation Limited

1. Shri S. Roy Choudhury, Director (M)
2. Ms. Pushap Joshi, G.M. (HR)
3. Shri H.R. Wate, G.M. (HR)
4. Shri S.K. Bhardwaj, Manager (Coord.)

SPECIAL INVITEE

Shri A.P. Abdulla Kutty, M.P.

2. At the outset, Chairman welcomed the representatives of the Ministry of Petroleum and Natural Gas and drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings. The Chairman also drew attention to Direction 95 which clearly stipulates that the Committee shall also meet as often as necessary to consider representations, letters, telegrams from various individuals, associations etc. which are not covered by the rules relating to petitions and give directions for their disposals.

3. The Committee took oral evidence of the representatives of the Ministry of Petroleum and Natural Gas on the following representations:—

(v) Representation received from Shri Tirath Ram Chauhan of Jalandhar alleging about misinterpretation of Government Policy by IBP in case of allotment of disputed COCOs to LoI holders;

(vi) Review of the Action Taken Replies furnished by the Government/Oil Companies on the recommendations made by the Committee on Petitions in their 15th, 16th, 25th, 27th and 30th Reports of the Committee; and

V. Representation received from Shri Tirath Ram Chauhan of Jalandhar alleging about misinterpretation of Government Policy by IBP in case of allotment of disputed COCOs to LoI holders

The Committee were informed by the representative of IOCL about the action taken by the Oil Company and also the present status in the matter. The Committee were informed that no written or oral commitment was ever given to the petitioner for allotment of dealership and the advertisement made was explicitly for land. The Committee,

thereafter directed that for the present, the COCO may be allowed to continue to run by the son of the petitioner.

VI. Review of the Action Taken Replies furnished by the Government/Oil Companies on the recommendations made by the Committee on Petitions in their 15th, 16th, 25th, 27th and 30th Reports of the Committee

The Committee discussed in detail the cases of Shri Niraj Kumar Singh, Smt. Rambha Sinha, Shri Ajay Kumar Singh, Shri Subhash Singh and Shri Navlesh Kumar Sharma about non implementation of the recommendations made by the Committee in their Reports in these cases. Thereafter, the Committee directed by the Ministry to review all these cases within 30 days and inform the Committee accordingly.

4. The Committee asked the witnesses to send the replies on points or demands which were not supplied or readily available with them during the evidence, within the stipulated period.

6. A copy of the verbatim proceedings of the sitting of the Committee was kept on record.

The Witnesses then withdrew.

The Committee then adjourned.

MINUTES OF THE EIGHTY SECOND SITTING OF THE COMMITTEE ON
PETITIONS (FOURTEENTH LOK SABHA)

The Committee on Petitions sat on Monday, 28 April, 2008 from 1500 hours to 1630 hours in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Prabhunath Singh — *Chairman*

MEMBERS

2. Shri N.S.V. Chitthan
3. Shri Dharmendra Pradhan
4. Shri C. Kuppusami
5. Shri Suresh Kurup
6. Shri Mohan Jena
7. Shri W.W. Konyak

SECRETARIAT

1. Shri N.K. Sapra — *Additional Secretary*
2. Shri A.K. Singh — *Director*
3. Shri U.B.S. Negi — *Deputy Secretary*
4. Shri V.P. Gupta — *Under Secretary*

WITNESSES

Ministry of Petroleum & Natural Gas

1. Shri S. Sundareshan, Additional Secretary
2. Shri D.N. Narasimha Raju, Joint Secretary
3. Shri A.K. Jain, Joint Secretary
4. Shri Pramod Nangia, Director
5. Shri Maninder Singh, Director
6. Shri Sanjay Gupta, Deputy Secretary
7. Ms. Usha Bala, Under Secretary
8. Shri Lalchandama, Under Secretary

Indian Oil Corporation Ltd. (IOCL)

1. Shri S. Behuria, C & MD
2. Shri G.C. Daga, Director (Marketing)
3. Shri A.M.K. Sinha, E.D. (RS)
4. Shri Mrinal Roy, ED (LPGP)

Oil & Natural Gas Commission (ONGC)

1. Shri R.S. Sharma, C & MD, ONGC
2. Shri A.K. Balyan, Director, ONGC
3. Shri Sushant Vats, ED, ONGC
4. Shri Anil Sawhney, DGM, ONGC
5. Shri A.K. Pachori, Chief Eng. ONGC
6. Shri Ram Raj Dwivedi, DM, ONGC

Bharat Petroleum Corporation Ltd. (BPCL)

1. Shri Ashok Sinha, C & MD, BPCL
2. Shri S. Krishnamurti, ED, BPCL
3. Shri D.M. Reddy, ED, BPCL
4. Shri A.S. Bhatia, GM, BPCL
5. Shri Pramod Sharma, Exe. Asstt., BPCL
6. Shri K. Sivakumar, Chief Man. BPCL
7. Shri A.K. Seth, Chief Man. BPCL
8. Shri J.M. Oza, DGM, BPCL
9. Shri Pallav Ghosh, GM (R)

Hindustan Petroleum Corporation Ltd. (HPCL)

1. Shri S. Roychoudhury, Director, HPCL
2. Shri G.A. Shirwalkar, ED, HPCL
3. Shri H.R. Wate, GM, HPCL

3. At the outset, the Chairman welcomed the representatives of the Ministry of Petroleum & Natural Gas and drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings. The Chairman also drew attention to Direction 95 which clearly stipulates that the Committee shall also meet as often as necessary to consider representations, letters, telegrams from various individuals, associations, etc. which are not covered by the rules relating to petitions and give directions for their disposal.

4. Thereafter, the Committee took oral evidence of the representatives of the Ministry of Petroleum and Natural Gas on the following representations:—

Representation from Shri Rajender Singh Yadav of Jaunpur, U.P. regarding investigation into the alleged irregularities done by BPCL for allotment of Petrol/Diesel Pumps;

Review of the Action Taken Replies furnished by the Government/Oil Companies on the recommendations made by the Committee on Petitions in their 15th Report.

III. Representation from Shri Rajender Singh Yadav of Jaunpur, U.P. regarding investigation into the alleged irregularities done by BPCL for allotment of Petrol/Diesel Pumps

The Committee directed the BPCL to review the case sympathetically.

VII. Review of the Action Taken Replies furnished by the Government/Oil Companies on the recommendations made by the Committee on Petitions in their 15th Report.

In the case of Shri Ajay Kumar Singh, the Committee observed that there was no new point from the oil company which needs review/re-examination by the Committee. Accordingly, the Committee reiterated its earlier recommendation and directed that LoI may be issued without further delay.

5. The Committee asked the witnesses to send the replies on the points which were not readily available with them during the evidence.

6. A copy of the verbatim proceedings of the sitting of the Committee has been kept on record.

The Witnesses then withdrew.

The Committee then adjourned.

MINUTES OF THE EIGHTY THIRD SITTING OF THE COMMITTEE ON
PETITIONS (FOURTEENTH LOK SABHA)

The Committee on Petitions sat on Wednesday, the 30th April, 2008 from 1500 hours to 1530 hours in Chairman's Room No. 45(II), Ground Floor, Parliament House, New Delhi.

PRESENT

Shri Prabhunath Singh — *Chairman*

MEMBERS

2. Shri N.S.V. Chitthan
3. Shri Wangyuh W. Konyak
4. Adv. Suresh Kurup
5. Shri C. Kuppusami
6. Shri Dharmendra Pradhan
7. Shri Paras Nath Yadav

SECRETARIAT

1. Shri P.K. Grover — *Joint Secretary*
2. Shri A.K. Singh — *Director*
3. Shri U.B.S. Negi — *Deputy Secretary*
4. Shri H.R. Kamboj — *Deputy Secretary-II*
5. Shri V.P. Gupta — *Under Secretary*

2. The Committee considered and adopted the following draft reports of the Committee with slight modifications:—

- (i) Forty First Report on the representations concerning the Ministries of Heavy Industries and Public Enterprises (Department of Heavy Industry), Coal and Textiles.
- (ii) Forty Second Report on the representations concerning the Ministry of Petroleum and Natural Gas.

3. The Committee also authorised the Chairman to finalise and present the Reports to the House.

The Committee then adjourned.

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