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**COMMITTEE ON PETITIONS**

**(FOURTEENTH LOK SABHA)**

**FORTY FIFTH REPORT**

**MINISTRY OF PETROLEUM AND NATURAL GAS**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*November, 2008/Kartika, 1930 (Saka)*

FORTY FIFTH REPORT  
COMMITTEE ON PETITIONS  
(FOURTEENTH LOK SABHA)

MINISTRY OF PETROLEUM AND NATURAL GAS

*(Presented to Speaker, Lok Sabha on 08.11.2008)*

*(Presented to Lok Sabha on 17.12.2008)*



LOK SABHA SECRETARIAT  
NEW DELHI

*November, 2008/Kartika, 1930 (Saka)*

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## CONTENTS

	PAGES
COMPOSITION OF THE COMMITTEE ON PETITIONS.....	(iii)
1. INTRODUCTION .....	(v)
2. REPORT	
(i) Representation from Smt. Suprabha requesting to enquire into the irregularities in the allotment of Petrol Pump located at Gannaur Railway Road, Sonapat, Haryana .....	1
(ii) Representation from Dr. K.R. Chaudhry of Tehsil Itwa, Uttar Pradesh alleging about irregularities in award of dealership of IOCL at Itwa .....	10
(iii) Representation from Shri Dineshwar Singh, regarding neglecting of Youths belonging to weaker and middle class sections in the directions issued by Ministry of Petroleum and Natural Gas for LPG distributorships .....	14
(iv) Representation from Smt. Premlata Arora of Bareilly and forwarded by Kunwar Sarvraj Singh, MP regarding delay in allotment of Petrol Pump under Defence quota by IOCL at Bareilly .....	36
3. ANNEXURES	
I. Minutes of the Fifty second sitting of the Committee held on 15.02.2007 .....	43
II. Minutes of the Eighty second sitting of the Committee held on 28.04.2008 .....	45
III. Minutes of the Ninety fifth sitting of the Committee held on 16.09.2008 .....	48
IV. Minutes of the Ninety eighth sitting of the Committee held on 21-10-2008. ....	51
V. Minutes of the Ninety ninth sitting of the Committee held on 06-11-2008. ....	52

COMPOSITION OF THE COMMITTEE ON PETITIONS

Shri Prabhunath Singh — *Chairman*

MEMBERS

2. Shri Shingada Damodar Barku
3. Shri Nandkumar Singh Chauhan
4. Shri N.S.V. Chitthan
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6. Shri Manikrao Hodlya Gavit
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11. Adv. Suresh Kurup
12. Shri Dharmendra Pradhan
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SECRETARIAT

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

FORTY FIFTH 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 Fifth Report of the Committee to the Speaker, Lok Sabha on the following representations:

- (i) Representation from Smt. Suprabha requesting to enquire into the irregularities in the allotment of Petrol Pump located at Gannaur Railway Station, Sonapat, Haryana;
- (ii) Representation from Dr. K.R. Chaudhry of Tehsil Itwa, Uttar Pradesh alleging about irregularities in award of dealership of IOCL at Itwa;
- (iii) Representation from Shri Dineshwar Singh, regarding neglecting of Youths belonging to weaker and middle class sections in the directions issued by Ministry of Petroleum and Natural Gas for LPG distributorships; and
- (iv) Representation from Smt. Premlata Arora of Bareilly and forwarded by Kunwar Sarvaraj Singh, MP regarding delay in allotment of Petrol Pump under Defence quota by IOCL at Bareilly.

2. The Committee considered and adopted the draft Forty Fifth Report at their sitting held on 6th November, 2008.

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

NEW DELHI;  
6 November, 2008  
15 Kartika, 1930 (Saka)

PRABHUNATH SINGH,  
*Chairman,*  
*Committee on Petitions.*

## CHAPTER I

### REPRESENTATION FROM SHRIMATI SUPRABHA REQUESTING TO ENQUIRE INTO THE IRREGULARITIES IN THE ALLOTMENT OF PETROL PUMP LOCATED AT GANNAUR RAILWAY ROAD, SONEPAT, HARYANA

The Committee on Petitions received a representation signed by Shrimati Suprabha, resident of Village Shekhpura, Tehsil Gannaur, District Sonapat, Haryana through Shri Kishan Singh Sangwan, M.P. requesting therein to enquire into the irregularities done in the allotment of petrol pump located at Gannaur Railway Road, Sonapat, Haryana.

1.2 In her representation, the petitioner submitted that in response to an advertisement in Indian Express dated 6th June, 2005, she applied for allotment of Retail Outlet (RO) dealership of BPCL under 'open category' for women. On the basis of interview held on 17th August, 2005 she was empanelled second. The petitioner alleged that she deserved to be empanelled first but the marks given to her were not fair. According to her, she deserved to get more marks due to the following reasons:—

- (i) On the day of interview, she had the required land for the installation of the petrol pump whereas the selected candidate did not have any land at that time. Even at present she has not the land Village Garhi Kesari is the part of the Gannaur Municipality and her land is in the village Garhi Kesari itself for which she was not given any marks although the company have identified the land for the proposed petrol pump in the same village Garhi Kesari.
- (ii) She was also not given proper marks for educational background, financial status, project report, age, personality and business capability etc.
- (iii) She is the local resident of the said place while the selected candidate resided 40-50 km. away from that place.
- (iv) She has the experience of supervision of workers at her own domestic brick industry as well as at the petrol pump owned by her cousin brother.
- (v) She has the knowledge of local background while the selected candidate has no knowledge of local business and sale point.

The petitioner, therefore, requested the Committee to take appropriate action in the matter and justice may be done to her by re-assessing her application for the allotment of RO. She also requested that the allotment of RO already made be cancelled.

1.3 The Committee took up the representation for examination under Direction 95 of Directions by the Speaker. Accordingly, the above representation was forwarded to the Ministry of Petroleum and Natural Gas (MOP&NG) on 10th October, 2006 requesting them to furnish their comments on the issue raised in the representation.

In their response, MOP&NG *vide* their communication dated 21st December, 2006 submitted their comments as under:—

“Bharat Petroleum Corporation Limited (BPCL) has reported that the location at Gannaur, District Sonapat, Haryana was advertised for rural Retail Outlet (RO) under Open (Women) category and has furnished the following comments:—

- (i) Under the parameter ‘Capability to provide the land’, the land offered by the petitioner was outside the advertised location. Hence, no marks were awarded to her. Under the parameter ‘Capability to provide finance’, the certificate issued by the bank was not as per format and the petitioner had failed to produce the pass book of her husband;
- (ii) Under the parameter. ‘Education’, ‘Age’, ‘Project Report’ and ‘Tie up volume’, correct marks were awarded to the petitioner. Under the parameter, ‘Experience’, no experience certificate was enclosed along with the application by the petitioner;
- (iii) Under the parameters, ‘Assessment’ and ‘Business Ability and personality’, correct marks were awarded by the selection committee on the basis of the performance of the petitioner during the interview.

In view of the above, the allegations made by Smt. Suprabha were not substantiated”.

1.4 The Committee were informed by MoP&NG *vide* their communication dated 13th February, 2007 about the latest status report in the matter as under:—

“ BPCL has reported that the candidate was assessed properly as per the guidelines and that correct marks were given to her under various parameters”.

1.5 Thereafter, the Committee took oral evidence of the representatives of MOP&NG on 15th February, 2007. During the course of evidence, Director, BPCL informed the Committee about the case as under:—

“BPCL had advertised for Open Women rural Retail Outlet at Gannaur District, Sonapat and an interview was held on 17th August, 2005. There were only two candidates – Shrimati Reena Rani and Shrimati Suprabha in that interview. The Selection Committee for the purpose comprised of – one Manager, one Deputy Manager and one Assistant Manager. They have taken this interview on 17th August, 2005. I want to inform you that we evaluate within 85 marks for rural category. Out of that capability to provide infrastructure and facility – 20 marks; capability to arrange finance – 25 marks; educational qualification – 15 marks; capability to generate business – 10 marks; age—4 marks; experience – 4 marks; business acumen – 5 marks; personality – 2 marks, total – 85 marks.

Shrimati Reena Rani, being a widow, became eligible under the corpus fund categorization. She was evaluated against 40 marks because capability to provide infrastructure and capability to arrange finance will be taken care by the company. Shrimati Suprabha coming under open-women category was evaluated under ‘all criteria’ since the branch she was provided was not in the area advertised.



So, that was taken out, and she was evaluated only against 65 marks. Ultimately, Shrimati Reena Rani scored a total of 34.2 marks against 40 marks while Shrimati Suprabha secured 33.5 marks out of 65 marks. Therefore, Shrimati Reena Rani got 85.4 per cent, and Shrimati Suprabha got 51.5 per cent. This selection has been made on the basis of the fact that Shrimati Reena Rani is a widow, and eligible for the corpus fund”.

1.6 The Committee pointed out that as informed by the Ministry the land offered by the petitioner was not in the advertised land area. The Committee, therefore, wanted to know as to how it would be verified whether the land is situated in that area or not and the basis for such verification. At this, the witness from BPCL stated as under:—

“It is based on the fact that it does not fall within the municipal limits of Gannaur Village. Gari Kesari, according to the information which we have got, is outside the municipal limits of Gannaur”.

1.7 When the Committee wanted to know as to how and by whom the verification of the land was done, the witness stated as under:-

“There is a local site verification committee of the company. They visit there from our office”.

1.8 The Committee enquired as to how would they know if the land is located in the Municipal area without taking reports from the Municipality Officer/ local circle officer and District Magistrate. Replying to this, the witness from BPCL stated as under:—

“There is a normal process that before interview the officers visit there to verify the site. They visit the site and enquire from the concerned local Tehsil Officer or local land officers”.

1.9 When the Committee pointed out that the District Commissioner or the Executive Officer of the concerned Municipal Area is the authority to verify the location of the land, the Secretary, MoP&NG responded as under:—

“Where there is doubt, the District Collector is the Authority. I will write to the District Collector, call for the records, and then we will direct the Company accordingly. We will submit the necessary information to the Committee”.

1.10 When the Committee enquired about the marks given under the parameter, ‘Capability to provide finance’, the witness, Director BPCL stated as under:—

“I only want to submit that it was done on the basis of the documents showing financial position that was submitted in the interview. We will again get it rechecked”.

1.11 When the Committee wanted to know about the criteria for the overall assessment, the witness from BPCL stated as under:—

“It is based on the capacity to generate business. In that she has got 5 and 8 marks based on the tied up volume and project report in interview. The questions

are asked on that basis. On the basis of questions asked, which they were not able to convincingly explain to the Committee, these marks are given”.

1.12 Explaining about the criteria of awarding marks on the basis of experience in this case, the witness stated as under:—

“She was not able to give us any certificate about experience, whereas the first candidate has given the experience certificate that she worked in a location for three to four years”.

1.13 The Committee wanted to know the latest position in regard to provision of land by the selected candidate. Replying to this, the witness from BPCL stated as under:—

“According to the Scheme, the Company has to provide the land and finance”.

1.14 When the Committee pointed out that there is a separate category for widow and the present advertisement was for general women category, the witness from BPCL responded as under:—

“She can apply against general category, any body can apply”.

1.15 The Committee further wanted to know how the allotment of RO was applied to widow category for which there is separate reservation, when advertisement was for the general category. At this, the Secretary, MoP&NG stated as under:—

“As per rules, it should be filled up only with the category for which it is advertised. That is the rule. In the light of Committee’s observation we will examine it very closely and give suitable instructions to the Company. We will get the certificate from the revenue authority with regard to location of the land. We will examine the categorization within ten days”.

1.16 The MoP&NG *vide* their communication dated 18th April, 2007 informed the Committee about the status of the case as under:—

#### **Observation of the Committee**

- (i) As assured by the Ministry, to call for the records in the matter from the District Collector and then they will direct the Oil Company accordingly and thereafter to submit the necessary information to the Committee;
- (ii) To examine the matter about the category of dealership for which it was advertised *i.e.* whether it was for general category or meant for widow and give suitable instructions to the Oil Company accordingly. It was assured to get the certificate from the Revenue Authority in connection with the location of the land; and
- (iii) To examine the points raised by the Hon’ble Member about marks given to the candidates which according to Hon’ble Member is not as per the policy and based on facts.”

**Present Status of the Case**

- (i) *Vide* letter dated 12-3-2007, the Ministry has requested to the Deputy Commissioner, Sonapat, Haryana to clarify as to whether the land offered by Smt. Suprabha falls within the advertised location. Reply from the Deputy Commissioner, Sonapat is awaited. Further action will be taken in the matter on its receipt.
- (ii) The category of the dealership for which it was advertised was 'Open (W)'. The first empanelled candidate, Smt. Reena Rani is a widow. Hence, she is eligible for Corpus Fund facility as per the provisions of the dealership selection guidelines.
- (iii) Regarding the question whether the marks given to the petitioner, Smt. Suprabha was as per the policy and based on facts, BPCL has reported the following:—
  - (a) Age: The age of the applicant was 25 years and 6 months as on date of application. Therefore, 2 marks given are correct as per the guidelines.
  - (b) Education: The applicant is a graduate and hence 10 marks awarded to her towards education are correct.
  - (c) Project Report: The applicant has submitted Project Report and has got 3 marks which is maximum.
  - (d) Experience: The applicant is a housewife and in her application at Sl.No.6, she herself has mentioned that she does not have an experience either in trading or sales. At Sl.No.7, she has mentioned that she has an experience to handle personnel while working at a brick kiln and at a petrol pump but no proof towards this has been enclosed.
  - (e) Personality and Business Ability: Marks were awarded based on the answers given by the applicant and assessment of the Selection Committee:
    - (1) Savings in Bank (A/c 8643) – in the name of applicant and her husband in Oriental Bank of Commerce – Rs. 3.84 lacs.
    - (2) Saving Bank A/c not clear from photocopy – of one Shri Yoginder Kumar (brother-in-law) – this could not be verified as the Original passbook was not there with the applicant (funds shown are Rs.3.33 lacs) - No letter has been given from the account holder. Hence Not considered.
    - (3) Saving Bank A/c No.40937 (in the name of Shri Yoginder Singh) in Punjab National Bank- this could not be verified as the original passbook was not there with the applicant – the photocopy submitted was also incomplete. Hence not considered.

- (4) Saving A/c No.3019- one of Shri Yoginder Kumar – (Fund – Rs.4.27 lacs) – only account statement submitted – no letter from Shri Yoginder in favour of Smt. Suprabha to extend financial support. Hence not considered.
- (5) FDR No. 1039/2000 A/c No. 13178 – for Rs. 1.08 lacs in favour of applicant's husband Shri Yudhveer Singh.
- (6) Credit worthiness from Bank (OBC) given without specifying the amount of loan.

Considering the above, the marks awarded has been as follows:

- As per the approved policy for selection of dealer for Rural ROs, the total marks earmarked for the criteria 'Ready availability of finance, like Bank Deposits is 15 marks and the investment required from the applicant as specified in the advertisement for this location is Rs.9.5 lakhs. Hence, the manner in which the marks were to be awarded was worked out as under:—

Rs. 7 to 9.5 lakhs	-	15 marks
Rs. 5 to 7 lakhs	-	10 marks
Rs. 3 to 5 lakhs	-	5 marks

Smt. Suprabha had produced documents for availability of finance totaling Rs. 4.92 lakhs and hence, was awarded 5 marks.

- No marks for income or for any physical/fixed assets as no proof given by the applicant.
- For credit worthiness the guidelines stipulates – 5 marks, so 5 marks have been given by the Committee.

1.17 In their written comments *vide* communication dated 01st August, 2007, the MoP&NG stated as under:—

“\*\*\* \*\*

2. Bharat Petroleum Corporation Limited (BPCL) had reported that the petitioner was proper assessed based on the documents submitted by her at the time of application.

3. The Committee on Petitions (COP), Lok Sabha Secretariat had earlier taken oral evidence on the subject. The contention of BPCL that the petitioner was correctly awarded marks during the interview was generally accepted, excepting the question as to whether the land offered by the petitioner falls within the advertised area. While

the petitioner claimed the land offered by her falls within the advertised area, BPCL maintained the contrary position resulting in award of zero marks under the parameter “capability to provide land and infrastructure”. Thereafter, it was decided that a clarification should be obtained from the District Collector, Sonapat, Haryana in this regard and that further action should be taken in accordance with the clarification so obtained.

\*\*\*    \*\*\*    \*\*\*    \*\*\*”.

1.18 In reply to a question as to whether the report from District Commissioner, Sonapat about the land offered by the petitioner had been received, the MoP&NG in their written reply stated as under:—

“The report/ clarification dated 17.7.2007 has been received from the Deputy Commissioner, Sonapat. The report has stated that the land offered by the petitioner, Smt. Surprabha, is located in village Garhi Kesari, which falls under the jurisdiction of Gannaur”.

1.19 In reply to another question as to how much time would be taken by the Ministry to settle this issue, the MoP&NG *vide* their written communication stated as under:—

“Since the report of the Deputy Commissioner has been just received, the Ministry, has sought the comments of BPCL on this report. Further action will be taken in accordance with the provisions of the guidelines on the matter”.

1.20 Thereafter, the Committee took further oral evidence of the representatives of the MoP&NG on 29th February, 2008. During the course of evidence, the Committee pointed out that as per the information, the location had been advertised once again targeting both the women. At this, the witness, from BPCL stated as under:—

“The moment we had been given order by the Government to re-interview them, we did it.”

1.21 When the Committee expressed their serious view on the issue regarding allotment of RO after re-interview to the widow without even informing the Committee, the witness stated as under:—

“We informed the Ministry.”

#### **Observations/ Recommendations**

**1.22 The Committee note that the petitioner had applied for Retail Outlet (RO) at Railway Road, Gannaur in Sonapat, district Haryana under Open Category for Women in response to an advertisement published by BPCL on 06.06.2005. The interview for the said RO was held on 17.08.2005 in which only two applicants appeared. According to the petitioner, she was declared second although she deserved to be ranked first. The petitioner has alleged that marks given to her were not fair and she had not been properly assessed on various parameters viz. education, financial capability, project report, age, personality and her business ability and experience.**

1.23 According to the BPCL, the land offered by the petitioner was outside the advertised location. Hence, no marks were awarded to the petitioner. Under the parameter 'Capability to provide finance', the certificate issued by the bank was not as per the format and the petitioner had failed to produce the passbook of her husband. Under the parameters, 'Education', 'Age', 'Project Report' and 'Tie up Volume', correct marks were awarded to the petitioner. Under the parameter, 'Experience', no experience certificate was enclosed alongwith the application by the petitioner. Under the parameters, 'Assessment' and 'Business Publicity and Personality' correct marks were awarded by the Selection Committee on the basis of the performance of the petitioner during the interview. Thus, according to the Ministry/ BPCL, the allegations made by the petitioner were not substantiated.

1.24 During the course of evidence held on 15.02.2007, the Committee were also informed that there were only two candidates for the open women rural RO advertised by BPCL for which interview was conducted on 17.08.2005. Besides the petitioner, the other candidate was Smt. Reena Rani. Candidates were evaluated against 85 marks under rural category, for capability to provide infrastructure and facilities – 20 marks, capability to arrange finance – 25 marks, educational qualification – 15 marks, capability to generate business – 10 marks, age – 4 marks, experience – 4 marks, business acumen – 5 marks, personality – 2 marks. Smt. Rani, being a widow, became eligible under the corpus fund categorization. Thus, she was evaluated against 40 marks because 'capability to provide infrastructure' and 'capability to arrange finance' would be taken care of by the company. On the other hand, the petitioner, coming under open women category, was evaluated under 'all criteria'. Since the land offered by the petitioner was not in the area advertised, she was evaluated against 65 marks instead of 85 marks. Thus, Smt. Rani scored a total of 34.2 marks out of 40 marks, while the petitioner scored 33.5 marks out of 65 marks. Ultimately, while Smt. Rani got 85.4% marks, the petitioner got only 51.5% marks and accordingly, Smt. Rani was selected for running the RO as she was a widow and eligible for the corpus fund.

1.25 During the course of examination, it was revealed that although the RO under reference was under open category for women, the same was not specifically meant for widow. The Secretary, MoP&NG also opined during the course of evidence that as per rules, the vacancy for the RO, should be filled only with the category for which it was advertised. Secondly, while the petitioner claimed that the land offered by her fell within the advertised area, the Oil Company maintained the contrary position and thus no marks were given to the petitioner for the land offered by her. It also came to the notice of the Committee that the site offered by the petitioner was verified by the officials of the Company with the local land officers, who in the opinion of the Committee were not competent to give such certificate on the matter. During the course of evidence, the Secretary, MoP & NG was also candid enough to accept the fact that in case of any doubt, the District Collector is the authority, to certify the location of the land and get the certificate with regard to location of the land as offered by the petitioner. The Committee, therefore, asked the Ministry/ Company to call the requisite certificate from the District Collector/ Revenue Authority in order to verify the location of the land offered by the petitioner. In

pursuance thereof, the Committee were informed that Deputy Commissioner, Sonapat, Haryana was requested *vide* letter dated 12.03.2007 to clarify as to whether the land offered by the petitioner falls within the advertised location and as per the report/clarification dated 17.07.2007 received from the Deputy Commissioner, Sonapat, the land offered by the petitioner is located in village Garhi Kesari, which falls under the jurisdiction of Gannaur. In view of the foregoing, the Committee are of the view that by ignoring the contention of the petitioner, the first empanelled candidate namely Smt. Rani was given undue benefit in the allotment of the RO by the Oil Company.

1.26 During the course of evidence, it came to the notice of the Committee that the location under reference was re-advertised and re-interview was conducted by the Oil Company for allotment of RO, without even informing the Committee particularly when the matter was before them for examination. The Committee strongly deplore this kind of attitude and approach of the Ministry/ BPCL.

1.27 From the facts placed before them, the Committee are convinced that there was irregularity in the selection of candidate for the RO which was meant only for General Women Category. It appears that either the guidelines on the issue are ambiguous giving scope for manipulation or have not been interpreted in its true spirit. As a result thereof, the petitioner was adversely affected. The Committee are of the view that if the intention of the Oil Company was to allot the location to a widow then the location in the very first instance should have been specifically advertised for widow category and the open category candidates should not have been mixed with the reserved category candidates. It was also confirmed that the land offered by the petitioner was very well within the advertised location and if she had been given due marks for the land offered by her, she would have been easily empanelled first for allotment of the RO for the location. The Committee, therefore, recommend that a fresh panel may be formed on the basis of interview held earlier giving due weightage to the land offered by the petitioner and in true spirit of the extant guidelines and the reservation provided therein. Appropriate action in this regard should be initiated immediately so that the RO is commissioned for the advertised location without further delay. The Committee also recommend that in future while advertising vacant ROs for various locations in the country, the Oil Companies should invariably, specifically and clearly mention the category against which the RO would be filled up or allotted. If felt necessary, the guidelines of the Oil Companies in this regard should be suitably modified so that there is no scope for any ambiguity or irregularity later on in the selection of the candidates for the allotment of RO from the category for which it is actually meant for. The Committee would also like to be apprised of the action taken in this regard within a period of three months.

## CHAPTER II

### REPRESENTATION FROM DR. K.R. CHAUDHARY OF TEHSIL ITWA, UTTAR PRADESH, ALLEGING ABOUT IRREGULARITIES MADE IN AWARD OF DEALERSHIP OF IOCL AT ITWA

A representation from Dr. K.R. Chaudhary, resident of village Parasiya, Post Karahiya Gosain, Tehsil Itwa, District Sidharth Nagar, U.P. and countersigned by Mohd. Mukeem, M.P. was received alleging irregularities in awarding of dealership by the Indian Oil Corporation Limited (IOCL).

2.2 In his representation, the petitioner submitted that he applied for Retail Outlet/ Dealership of IOCL at location Itwa-Domariyaganj Road, District Sidharth Nagar, U.P. Along with the application, he offered four sites of land on long term lease basis to IOCL along with the 'No Objections' and Affidavits of all concerned. All the lands mentioned in his application were on the main road with good locations and having potential for fetching good revenue. He had all the resources to stand for the facilities to be provided by IOCL. He was called for interview for the dealership *vide* letter dated 18.07.2005 issued from the office of the SDRM, Allahabad. According to the petitioner, he was awarded 50.7 marks out of 100. He alleged that he was not given any marks under 'capacity to provide infrastructure and facility (land etc.)' despite his capability to provide better infrastructure and other facilities. He claimed that his documents were not assessed properly and, therefore, he was deprived of getting the required marks to obtain the dealership. In pursuance of his complaint in this regard, he was called in IOCL office at Kanpur on 9 November, 2005 with relevant documents for investigation. According to the petitioner, all the documents were verified by official of IOCL and it was found that the mistakes were committed by the interview Committee as all his documents were found complete in all respects by the IOCL official.

The petitioner, therefore, requested that the matter may be investigated and the dealership of the retail outlet of the said location may be awarded to him.

2.3 The Committee took up the representation 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) on 27 November, 2006 for furnishing their comments on the points raised in the representation.

2.4 In their response, the MoP&NG *vide* communication dated 22 January, 2007 furnished their comments as under:—

“The matter has been examined through IOC who has reported the following:

- (i) The Corporation had earlier received complaints against the declaration of 'Nil Panel' result on 4.8.2005 for the selection of RO dealership at location



Itwa, district Sidharth Nagar under 'Open (W)' category of Marketing Plan 2003-05.

- (ii) On receipt of the complaints, investigation was conducted by the Corporation as per the extant policy in which it was observed that the Dealer Selection Committee (DSC) for the subject RO had erred in awarding zero marks to Dr. K.R. Chaudhary under the parameter 'Capability to provide infrastructure and facility'. Further, the investigating Officer (IO) recommended that all the eligible applicants may be re-interviewed for selection of dealer for the subject RO.
- (iii) Re-interview, recommended by the IO, could not be held immediately due to prioritizing more thrust on commissioning of Kisan Sewa Kendras. As per the revised norms of feasibility for setting up of ROs, the feasibility has been re-worked for the subject location and the re-interview is expected to be held during February 2007.
- (iv) Disciplinary action against erring DSC members is in process, as per rules of the Corporation.

2.5 The Committee took oral evidence of the representatives of the MoP & NG on 15 February, 2007. During the course of evidence, the witness, Director (Marketing), IOCL stated as under:—

“He did not find any suitable candidate for this. It was a mistake on part of the Committee to not examine the land of the candidate and as such no marks were given to him and the panel remained nil. If appropriate marking would have been done, the petitioner would have got the allotment. The same mistake has been done here and we have asked to take action against the officials of the Selection Committee.”

2.6 Informing about the follow up action taken based on the oral evidence held on 15 February, 2007, the MoP&NG *vide* communication dated 18 April, 2007 submitted as under:—

“The location, Itwa, Sidharth Nagar, was scheduled for re-interview on 26.2.2007, however due to declaration of UP Assembly Elections, 2007 and implementation of Model Code of Conduct with effect from 23.2.2007, the scheduled re-interview has been postponed and the same would be conducted upon the removal of Model Code of conduct after the elections. Dr. R.K. Chaudhary of Tehsil Itwa, UP, the petitioner will also be called for the proposed re-interview. The action against erring officials of Dealer Selection Committee (DSC), as per the rule of the Corporation is under process.”

2.7 The Committee were further informed by the MoP & NG, *vide* their communication dated 15 October, 2007, about the latest status report in the matter, as under:

“IOC has further reported that disciplinary action in accordance with CDA rule of the corporation was initiated against the members of Dealer Selection

Committee and the officers were charge-sheeted. However, on perusal of the replies to the charge-sheets, it was noted that the action taken by the DSC members in awarding zero marks to the petitioner under the parameter “capability to provide infrastructure and facility” was not wrong since the affidavit submitted by the petitioner in the application form did not contain details of the offered land, such as Khasra Number, name of village or location of land, etc.

In view of the above circumstances, IOC has concluded that conducting of re-interview of the eligible candidate would not change the status of the earlier ‘NIL’ panel. Accordingly, the competent authority of IOC has taken a decision not to conduct re-interview and to re-advertise the subject location Itwa, District Sidharth Nagar, if found feasible for setting up of RO.”

#### **Observations/Recommendations**

**2.8 The Committee note from the submission of the petitioner that he applied for Retail Outlet (RO) dealership of IOCL at location Itwa – Domariyaganj Road, District Sidharth Nagar, U.P. He was called for interview for the award of dealership. According to the petitioner, he was awarded 50.7 marks out of 100. He alleged that the documents furnished by him were not assessed properly by the Selection Committee and no marks were given to him under ‘capacity to provide infrastructure and facility’. Thus, he was deprived of getting the required marks to obtain the dealership. In this context, the petitioner stated that he offered four sites of land for on long term lease basis to the IOCL as also the ‘No Objections’ and Affidavits of all concerned alongwith the application for the dealership for the said location. All the aforesaid sites were on the main road with good locations and having potential for fetching good revenue. He also had all the resources to stand for the facilities to be provided by IOCL. The petitioner further stated that in pursuance of his complaint in the matter, he was called in IOCL office at Kanpur on 9 November, 2005, with relevant documents for verification. After verifying the documents, it was found that the mistakes were committed by the Interview Committee as all his documents were found complete in all respects by the IOCL official. The petitioner, therefore, requested for investigation into the matter and award of dealership of the RO at the said location to him.**

**2.9 The Committee note from the reply of the Ministry of Petroleum and Natural Gas (MoP&NG)/IOCL that on receipt of the complaints against the declaration of ‘Nil Panel’ result on 4.8.2005 for selection of RO dealership at location Itwa, investigation was conducted by IOCL as per the extant policy in which it was observed that the Dealer Selection Committee (DSC) for the subject RO had erred in awarding zero marks to the petitioner under the parameter ‘capacity to provide infrastructure and facility’. Further, the Investigating Officer (IO) recommended that all the eligible applicants may be re-interviewed for selection of dealership of the RO. As per the revised norms of feasibility for setting up of ROs, the feasibility had been worked out for the subject location and the re-interview was proposed to be held during February 2007. A disciplinary action was also initiated against erring DSC members as per the rules of the Corporation. During the course of evidence of the MoP&NG/IOCL, the Committee were also informed that it was a mistake on the part of the DSC**

that the land of the petitioner was not taken into account and as such no marks were given to him. According to the Ministry/IOCL, the petitioner would have got the allotment for the dealership, if appropriate marks had been given to the petitioner for the land offered by him. However, the Committee are amazed to note from the subsequent replies submitted by the Ministry/IOCL, that the members of DSC who were charge sheeted in accordance with CDA rules had submitted in their reply that the action taken by them in awarding zero marks to the petitioner was not wrong since the affidavit submitted by the petitioner in his application form did not contain details of the offered land, such as Khasra number, name of village or location of land, etc. The IOCL had concluded that conducting of re-interview of the eligible candidate would not change the status of the earlier 'NIL' panel. Therefore, the competent authority of the IOCL had decided not to conduct re-interview and to re-advertise the subject location Itwa, if found feasible for setting up of R.O.

2.10 From the facts enumerated above, the Committee are surprised and anguished to note that the Ministry/IOCL are not consistent on their stand and have taken a decision as per their whims and convenience on the issue, contrary to the findings of the Investigating officer. The Committee fail to understand as to how the petitioner could be given zero marks by the DSC for the land offered by him if the relevant documents as well as 'No Objections' and Affidavits from all concerned were submitted by him alongwith the application for the dealership. These documents were also verified by the IOCL official subsequently, as claimed by the petitioner and were found to be in order. It is intriguing to note that the Ministry/IOCL came to the conclusion against holding re-interviews of the eligible candidates including the petitioner in spite of the report of the IO who conducted the investigation as per the extant policy of the Oil Company. In his findings, the IO had clearly observed that DSC for the subject RO had erred in awarding zero marks to the petitioner under the parameter 'capability to provide infrastructure and facility'. As a result thereof, the petitioner was deprived of the opportunities to get selected and empanelled for award of dealership. The Committee feel that, in the process, the petitioner had to suffer inconvenience and harassment for no fault on his part. The Committee regret to note that the Ministry/IOCL seem to have relied more on the submissions of the charged officers of the DSC rather than to going by the findings of the IO in their attempt to shield the guilty officials. In the opinion of the Committee, the findings of the IO were already accepted by the Ministry and Director (Marketing), IOCL accepted their mistake and assured to take action against the guilty officials. The Committee are, therefore, convinced that the discrepancies subsequently pointed out in the affidavit of the petitioner is clearly an after thought to protect the erring officials of DSC.

2.11 In view of the foregoing, the Committee recommend that re-interview as proposed earlier by the IOCL may be conducted for the subject RO dealership at location Itwa without further delay. The Committee also desire that action should also be taken against the officers for their lapses and irregularity in the selection of candidates for award of the dealership. The Committee would like to be apprised of the action taken in this regard within a period of three months.

### CHAPTER III

#### REPRESENTATION FROM SHRI DINESHWAR SINGH OF DELHI REGARDING NEGLECTING THE YOUTHS BELONGING TO WEAKER AND MIDDLE CLASS SECTIONS IN THE GUIDELINES WHICH REGULATE COMMISSIONING OF LPG DISTRIBUTORSHIP

Shri Dineshwar Singh, r/o D-159, Kunwar Singh Nagar, Najafgarh Road, New Delhi submitted a representation regarding neglecting the youths belonging to weaker and middle class sections in the guidelines issued by the Ministry of Petroleum and Natural Gas (MoP & NG), which regulate commissioning of LPG Distributorship.

3.2 In his representation, the petitioner alleged that there are gross irregularities in the guidelines issued by the Oil Companies *viz.*, Indian Oil, Hindustan Petroleum, Bharat Petroleum under the MoP & NG for selection of LPG distributors, ignoring the middle class and weaker sections. As per Para 4 of Rule 14(2) of the guidelines, the criteria regarding age, educational qualification and personal experience will not apply if the Public Limited Company was formed under the Company Act, 1956 and the candidates will be given full marks. On the other hand, marks have been bifurcated at different levels in order to debar the literate youth belonging to the middle and lower class families from doing such business. The petitioner has further stated that in West Bengal, a company named M/s. CLC had commissioned 16 petrol pumps and LPG distributorship of various oil companies. The company has applied for many places in Maharashtra, Gujarat, Uttar Pradesh, Bihar etc. As per the method of giving marks to the applicants of the company, they are certain of getting at least 91 marks, if they possess only matric qualification and are of only 21 years of age. According to the petitioner, this is gross irregularity and it is clear that the Company wants to engage only the capitalists in the business. The petitioner also stated that the Union Government extend full financial help to the literate unemployed youth if he wants to do some business. But such candidates are not given full marks based on the assurance letter of the bank and instead of only seven marks are given on the basis of such assurance. The petitioner alleged that this policy is meant only to bring the prosperous and capitalists into this business and to deprive the youth of the middle class society. Further, there is nothing in the guidelines about the action to be taken if any irregularity is found at some retail centre of a company having 10-20 retail centres. In the case of an individual applicant, it has been laid in the guidelines that if a member of the family has commissioned a retail shop, the other member of the same family will not be given another retail shop. The definition of the family is also defective and the Board of Directors and employees of the company are assured to be the members of the same family. In the advertisement given by the company it is mentioned that the godown should be at a distance of 15 kilometres from the commercial site, although the site is fixed on the basis of its potential based on the survey conducted by the Company. If the appointment of the LPG distributor is made

keeping in view of the distance of 15 kilometres, the selection of the site based on potential will have no meaning as in rural areas a new block starts after every 3 to 4 Kilometres.

The petitioner, therefore, requested that the matter may be investigated to remove these drawbacks in the guidelines issued by the MoP&NG so that the weaker and middle class sections of the society get the benefit of the business.

3.3 The Committee took up the representation for examination under Direction 95 of Directions by the Speaker, Lok Sabha. Accordingly, the above representation was forwarded to the MoP&NG on 20th March, 2008 requesting them to furnish their comments on the issues raised in the representation.

3.4 The Committee took oral evidence of the representatives of the MoP&NG on 28th April, 2008. During the course of oral evidence, the MoP&NG sought one month's time to discuss the issues with the Oil Companies in detail.

3.5 The Committee pointed out that as per the guidelines, the companies have given relaxation in marks on two points. First, if members of Co-operatives are applying, they will get relaxation in land, finance, education, age and personality whereas if executives of any company are applying they will get relaxation in education, age and personality. The objective behind formulating these guidelines by the Government was to bring transparency in the selection process so that no one should suffer and the deserving person can be benefited from this. However, it seems that as per the guidelines, educated people from middle class families will be deprived of this benefit. The reason behind this is there is lack of clarity in the guidelines. The Oil Companies are giving relaxation to a company which is registered under 1956 Act. Husband, wife, son, brother and uncle of the same family set up a company and got it registered. As per the definition of 'family', a married son will not be considered in the family, whereas an unmarried son will be considered as a family member. The Committee wanted to know the reaction of Indian Oil Company in this regard. At this, the witness, CMD, IOCL stated as under:—

“We have to study the point raised by you. Director (Marketing) deals with this aspect and he can answer this query.”

The witness, Director (Marketing), IOCL informed the Committee as under:—

“When the policy was formulated after the year 2002, as per the norms decided by the industry, the companies which are registered under Societies Companies Act, will be given full marks in age, educational qualification and personality during the selection for LPG distributorship. This decision was taken after considering the strength of the company. We will see this in detail. Ministry has also asked for our comments. We will reply after a detailed study of the issue.”

3.6 As regards marks to be given on the basis of educational qualification to an individual *vis-a-vis* an applicant of the Company, the witness from IOCL stated as under:—

“I had submitted that the strength of a company is not of an individual, it is the strength of whole company, whole organization. Therefore, we could not compare an individual and a representative of company during interview. However, view of our company on this issue will be intimated to Ministry of Petroleum and Natural Gas, Government of India and a reply will be submitted on its basis.”

3.7 When the Committee wanted to know the views of the B.P.C.L. in this regard, the witness from BPCL stated as under:—

“This clause is very old, because that time there were many industrial corporative belonging to State Governments and this clause was included for utilization of that. We have to see that who have got and what they got under this clause as on date. Presently, this was the genesis of the clause which has been included in the qualification for the company. As far as I know, marks are subtracted from both side. These marks are calculated on ratio basis.”

The witness from the H.P.C.L. stated as under:—

“Earlier we had registration guidelines which basically focus on individuals only closely followed by Co-operative and Limited Companies. We had not assessed their financial strength and total composition individually. The matter has just now been raised here, so we would like to discuss this within our industry and will send the reply through Ministry after making of review.”

3.8 The Committee wanted to know the reaction of the Ministry on the point raised by the petitioner about the distance of the godown from the commercial site. Replying to this, the witness, the Additional Secretary, MoP&NG stated as under:—

“As I stated earlier, the first issue raised by the distinguished Chairman is extremely relevant. We will examine in great detail the point you have raised about company. It is quite possible that companies just for the convenience of getting agencies get formed and because of the present guidelines, they can get the highest marks. We recognize the values of the statement made by you, Sir. We will examine it in utter seriousness. Having served in the district, I do agree that sometimes having a district limitation, having a cut off on the border of the district or block can have ramifications which will affect the consumers. We will certainly look into it.”

3.9 The Committee pointed out the name of the Company *i.e.* M/s. CLS Limited, Kolkata which has been assigned 16 petrol pumps and LPG outlets, according to the petitioner. But nothing has been laid down in the guidelines about the action to be taken against the Company or the outlets itself if the outlet is found to be defaulting. Commenting on this, the witness, C.M.D., BPCL stated as under:—

“Sir, the CLS Limited has been established in the eastern region. We have sought information from them. Shri Anand Narayan Singh is the Chairman of the company. This company is an old trading company belonging to an

Englishman, the company has godowns and real estates for years. The company had applied for 10 locations under our open category advertisement because in the previous three years it was having profitability, that is why we thought that the financial condition of the company must be sound it has got only one allotment for a site so far. There were total 12 applications, of which 2 applications were of individuals and rest 10 applications were from the company. Those applications are being scrutinized in Kolkata. One outlet allotted to the company has been commissioned to it, the sale of the outlet is 12 KL Petrol and 12 KL diesel. Apart from that, an LoI had been issued in the name of its MD. Second LoI which was issued has been cancelled. Three applications among its applications have been rejected and rest 6 applications are to be scrutinized. This is the latest position.”

3.10 When the Committee wanted to know whether any petrol pump is operational in their name, the witness stated as under:—

“Yes, Sir, it has been operating since September, 2006. Apart from that one LoI had been issued on the name of its MD. But the details of the same are not available to us at this point of time, we will make you available the detail later.”

3.11 The Committee asked about the maximum number of outlets which can be allotted to a company. Replying to this, the witness stated as under:—

“Sir, for that we will have to go through our guidelines because so far there has not been any restriction on it as to how many outlets can be allotted to a company.”

The witness, E.D., IOCL stated as under:—

“A maximum of 50 per cent of the open quota can go to them and out of it 33 per cent has to be reserved for women.”

3.12 When the Committee directed all the three oil companies to trace out the number of petrol pumps and LPG dealerships allotted in the name of CLS and other companies, the witness, Additional Secretary, MoP&NG stated as under:—

“The point raised is extremely genuine in the nature of forming a company and getting over the restrictions in the guidelines. People can function in that manner. That is why we have assured the Committee that we will look at this matter afresh and get back to you.”

The representative of IOCL also responded as under:—

“Since 2003, when new rules were implemented, 4608 retail dealers have been appointed. Out of them only 21 dealerships were given to the corporate bodies. Even among them 8 dealerships were given to private companies while 13 were allotted to the Public Sector Companies. CLS was not given a single dealership on behalf of Indian Oil Company.”

The petitioner further added:—

“It did apply and interview is to be conducted in its three or four application in West Bengal. Only eight out of 4608 outlets have been allotted to the Private Companies.”

3.13 The MoP&NG *vide* communication dated 15th September, 2008 furnished their comments on the representation as under:—

“After dismantling of APM *w.e.f.* 1.4.2002, public sector oil marketing companies (OMCs) have commercial freedom for setting up of retail outlet dealerships/ LPG distributorships and to select dealers/distributors for such dealerships/ distributorships. Based on certain broad parameters advised to them by the Government, these OMCs have framed their respective guidelines for selection of dealers/distributors.

The present evaluation criterion for selections of RO dealership is as under:—

S.No	Parameter	Individuals (including partnership)	Non- individuals
1.	Capability to provide land and infrastructure/facilities	35	35
2.	Capability to provide finance	25	25
3.	Educational Qualifications	15	0
4.	Capability to generate business	10	10
5.	Age	4	0
6.	Experience	4	4
7.	Business Ability/Acumen	5	5
8.	Personality	2	0
	Total	100	79

The non-individual entities are first evaluated out of 79 marks and then marks are proportionately increased w.r.t. total of 100 marks.

The present evaluation criterion for selections of LPG distributorships is as under:—

S.No	Parameter	Individuals (including partnership)	Non- individuals
1.	Capability to provide land and infrastructure/facilities	35	35
2.	Capability to provide finance	35	35
3.	Educational Qualifications	15	15
4.	Age	4	4
5.	Experience	5	4
6.	Business Ability/Acumen	2	5
7.	Personality	2	2
	Total	100	100

Non –individuals are given full marks w.r.t. point No.3,4 & 7.”



3.14 The Committee were informed by the MoP&NG about the details of the marketing guidelines of the Ministry for selection of dealership/distributorship for Retail Outlets, as under:—

“Upon deregulation of Oil Industry, MoP&NG had advised the Oil Marketing Companies to develop their own selection guidelines for appointment of dealers/distributors. MoP&NG *vide* their letter No.-19011/3/2002-IOC dated 19.08.2003 and 28.08.2003 gave the following guidelines:—

- (i) Percentage of reservation for various sections of the society would continue in line with the earlier policy guidelines circulated by MoP & NG *vide* letter dated 09.10.2000.
- (ii) Corpus Fund Scheme to continue.
- (iii) There shall be no ceiling on income of the prospective allottees. (Earlier the ceiling on income was Rs.2 lacs.)
- (iv) Multiple dealerships/distributorships norms to be modified to the extent that only one dealership may be allowed to a family unit consisting of the individual concerned, his/her spouse and unmarried sons and daughters.
- (v) Certain degree of uniformity to be ensured across the PSU oil companies in assigning marks to applicants under different criteria. While assigning marks, the system should be transparent and objective.

Based on the above communication Oil Industry had developed and implemented guidelines for selection of RO/SKO-LDO dealers/LPG distributors which have been duly approved by respective Board of Director.”

3.15 In reply to a question as to whether the above guidelines are being strictly followed by the Oil Companies at the time of selection of dealership/distributorship and also what is the mechanism in the Ministry to check the irregularities during the selection procedure, the MoP&NG stated as under:—

“The selection guidelines are transparent. These guidelines give complete details and are hosted on the corporations website and also published with the advertisement. The result with marks secured by the candidates on the various parameters is displayed and hosted on the website.

An applicant who has appeared for the interview and is aggrieved by selection may send his/her complaint to the Area Office/State Office in which the interviewed for LPG distributorships location is located.

A representation/complaint is entertained if it is received by the office concerned within a month from the date of declaration of result. Efforts are made to ensure that the representation/complaint is disposed off within 3 months from the date of receipt of response from the date of receipt of response from the complainant. Pending disposal of complaint, Letter of intent if issued will be kept in abeyance. Anonymous/pseudonymous complaints are normally not to be investigated. For other complaints a letter is sent by the oil company to the complainant

through Registered Post, asking him to submit details of allegation with a view to *prima facie* substantiate the allegations, along with supporting documents, if any, within 30 days. The concerned oil company examines response of the complainant and if it is found that the complaint does not have specific and verifiable allegations, the same will be filed. When a decision is taken to investigate the complaint, one Senior Officer does the investigation. In case complaint is not established, it is filed and the complaint is advised accordingly. In case of established complaint against the empanelled candidate, action is taken with regard to appointment of the next candidate in the merit panel.”

3.16 As regards the rationale behind to exclude the candidate of the Public Limited Companies from the purview of the criteria relating to age, educational qualifications and personality and thus in the process giving them full marks and undue advantage over the candidates belonging to middle and lower class families, the MoP&NG *vide* communication dated 15th September, 2008 stated as under:—

“Institutions like Registered Societies and companies registered under Companies Act 1956 do not have Age, Education Qualification and Personality like an individual. Therefore, cannot be evaluated as in case of individuals. The strength of institutions is considered to be more than that of individual on these parameters. Therefore, Institutions are awarded full marks on the parameter of Age, Education Qualification and Personality.

Individual candidates who are in the age group of 26 to 46 get full (4) marks on the parameter age. Candidates who have professional qualification get full (15) marks and candidates can get full (2) marks on personality depending upon their interaction in the interview. Therefore, an individual candidate (irrespective of the class to which he belongs) who has professional qualification in the age group 26 to 46 can get full 21 marks.”

3.17 The Committee were informed by the MoP&NG about the detailed marking pattern for the candidates belonging to Public Limited Companies as per the guidelines *vis-à-vis* other candidates, as under:—

“The evaluation on all the parameters of all the applicants is carried out as per the laid done criteria for selection of LPG distributors. There is no difference in criteria except for evaluation on the parameter of education qualification, age and personality between Registered Societies/Companies registered under the Companies Act and the individuals candidates.

Registered Societies/Companies registered under the Companies Act are awarded full marks on education qualification, age and personality whereas individuals are awarded marks based on individuals capabilities in the evaluation for selection of distributors.

The Ministry of Petroleum and Natural Gas in their communication dated 27 June, 2008 have stated as the issues raised by the petitioner involve revision of policy guidelines on selection of dealers/distributors, the same need to be

deliberated further at various levels within the Ministry and with the Public Sector Oil Marketing Companies.”

3.18 As regards the number of petrol pumps and LPG distributorships being commissioned by M/s CLC in the name of various companies, the MoP&NG in their written reply stated as under:—

“However, in the State of West Bengal, in response to the advertisements for award of RO dealership by IOCL, the company called M/s CLS Limited has applied at the following five locations: (i) Budge budge, (ii) Between Dunlop Bridge B.T. Road crossing and Dakshineswar on Vivekanand Road, (iii) Kanajuli, (iv) Khidderpore, (v) Shaktigarh.

Similarly, in response to the advertisement for LPG distributorships by IOCL in West Bengal M/s CLS Limited has applied for 7 number of LPG distributorships- (i) Alipurdwar, Jalipauguri district, (ii) Pundibari, Coochbehar District, (iii) Durgapur district Burdwan, (iv) Gorandi, District Burdwan, (v) Mecheda/ Kolaghat, District Purba Medinipur, (vi) Shreerampore, Hooghly District, (vii) Tarkeshwar, Hooghly District. LPG distributorship selection is yet to be made for all the above seven distributorships.

The details/status of allotment of RO dealerships at five locations advertised in which M/s CLS Ltd. was one of the applicants, is as under:—

Sl.No.	Location	Status
1.	Budge budge	After due selection process, RO dealership awarded to the individual other than M/s CLS Ltd.
2.	Between Dunlop Bridge B.T. Road crossing and Dakshineswar on Vivekanand Road	After due selection process, RO dealership awarded to the individual other than M/s CLS Ltd.
3.	Kanajuli	Interview yet to be held. M/s CLS Ltd. is one of the two applicants for this location.
4.	Khidderpore	Interview/Re-interview held. Complaint against M/s CLS Ltd. under investigation. Merit Panel not finalized.
5.	Shaktigarh	M/s CLS Limited was the second empanelled candidate, whose candidature has been rejected based on the findings of a complaint investigation. The FIR for the next empanelled candidate is underway.

3.19 The MoP&NG *vide* communication dated 15 September, 2008 furnished the procedure for publishing advertisements for inviting applications of their ROs, as under:—

“IOCL has prepared State Retail Marketing Plans (SRMP) for the year 2003-05, 2005-07 and the same is in progress for 2007-09. The locations roistered in SRMP are advertised by respective State offices and dealers are selected after following due dealership selection procedure, on regular basis.

Once the marketing plans are finalized and approved by the Competent authorities, publishing advertisements for inviting applications in two local leading news papers is a continuous process, which is done by respective State Offices of IOCL on State to State basis. Repeated advertisements are published based on the pending locations of SRMP, locations where there was no response/NIL panel declared after the selection and/or after disposal of complaints/court cases etc.”

3.20 The MoP&NG *vide* communication dated 16th September, 2008 furnished amended guidelines for selection of dealers/distribution of petroleum products, as under:—

“Based on various consultations with public sector oil marketing companies (OMCs), it has been decided to introduce certain amendments in the guidelines for selection of dealers/distributors of petroleum products concerning evaluation of non-individual candidates (Government bodies/agencies, organized bodies, societies registered under Societies registered under Societies Registration Act 1860, charitable trusts registered with Charity Commissioner of respective State Government, companies formed under the Companies Act, 1956) applying for dealerships/distributorships and applicability of multiple dealership norms to such non-individual entities.”

In respect of selection for RO dealerships, non-individual candidates will henceforth be evaluated out of 100 marks as follows:—

Sl. No	Parameter	Individuals (including partnership)	Non- individuals
1.	Capability to provide land and infrastructure/facilities	35	35
2.	Capability to provide finance	25	25
3.	Educational Qualifications	15	0
4.	Capability to generate business	10	25
5.	Age	4	4@
6.	Experience	4	4^
7.	Business Ability/Acumen	5	7
8.	Personality	2	0
	Total	100	100

@ Evaluation of 'Age' for non-individual candidates will be done as follows:—

Sl. No	Number of years of existence	Marks to be awarded
1.	Less than 3 years	0
2.	More than 3 years but less than 5 years	2
3.	More than 5 years	4

^ Evaluation of 'Age' for non-individual candidates will be done as follows:—

Sl. No	Sector	Max Marks \$
1.	Petroleum	4
2.	Automobile/Transport services	2
3.	Any sector other than mentioned above	1

\$ for this purpose, at least 1 year of experience of providing services in a particular sector will entitle the candidate for full marks and proportionately for experience of less than 1 year.

In respect of selection for LPG distributorships, non-individual candidates will henceforth be evaluated out of 100 marks as follows:—

Sl. No	Parameter	Individuals (including partnership)	Non- individuals Entities
1.	Capacity to provide land and infrastructure facilities	35	35
2.	Capability to provide finance	35	35
3.	Educational Qualifications	15	0
4.	Age	4	15*
5.	Experience	4	8
6.	Business Ability/Acumen	5	7
7.	Personality	2	0
Total		100	100

\*The marks on this parameter for non-individual candidates shall be awarded as follows:—

Sl. No	Age (years)	Marks
1.	3	7
2.	4	9
3.	5	11
4.	6	13
5.	7 or more	15

The applicability of Multiple Dealership Norms to various non-individual dealers/distributors will be as follows:—

**A. For Companies registered under Companies Act, 1956**

- (i) The applicant company will not be eligible for RO dealership/LPG distributorship if any of the RO dealership/LPG distributorship is held by the following:
  - a. Any of the Director or his family members (family as in the case of multiple dealership norms for individuals).
  - b. Holding company or Subsidiary company.
  - c. Any other company or Firm where share holders (put together) of the applicant company have controlling stake *i.e.* 51% or more.
- (ii) If any individual, partnership firm, company, organized body, trust or society already holding RO dealership/LPG distributorship acquire controlling stake in a company having RO dealership/LPG distributorship then the RO dealership/LPG distributorship of the acquirer would be liable to be terminated.
- (iii) Government owned Companies defined as major shareholding with the Government, Public Sector & Joint Sector Units or Government administered Organizations will be excepted from the multiple dealership norms as per existing policy adopted by OMCs.

**B. For organized bodies, charitable trusts registered with the Charity Commissioner of the respective State Government and societies registered under Societies Registration Act, 1860.**

Such entities will not be eligible for RO dealership/LPG distributorship if any of the RO dealership/LPG distributorship is held by any of the Member of the Governing Body/Managing Body/Any such other Body or his family members (family as defined in the case of multiple dealership norms for individuals).

OMCs may enter into “Corporate tie-ups” with companies based on their marketing strategies and merit of the proposal. OMCs should frame their detailed guidelines on the basis of following broad parameters and with the approval of their respective Board of Directors,

- a. Company should be listed on at least two Stock Exchanges say NSE & BSE.
- b. Minimum Authorized & Paid-up Capital may be specified.
- c. Dealership activity should not be their main business. In other words, the dealership activity has to be a support activity in the overall business venture.
- d. The RO dealerships allotted through ‘corporate tie-ups’ should be out of their regular Master Plan.
- e. Multiple Dealership norms will not be applicable.

Other existing provisions of the guidelines on selection of dealership/distributorships of petroleum products not covered in the above paras will remain the same. The above amendments in the selection guidelines will come into effect from the date of issue of this letter. However, in cases where advertisements have been issued and where interviews have not been held, OMCs may, if required and if permitted under the terms and conditions of the advertisement, alter/revise such advertisements in conformity with the amendments on selection guidelines introduced in this letter.”

3.21 The Committee took further oral evidence of the representatives of the MoP&NG on 16th September, 2008. During the course of evidence, the Secretary, MoP&NG stated as under:—

“Sir, as per your direction, the Ministry has reviewed the guidelines and have made changes in it. A copy of revised guidelines have been submitted.”

3.22 When the Committee desired to have clarification on a point regarding disqualification of a person if he obtains distributorship by furnishing wrong information or hides information, the witness stated as under:—

“Sir, you have perhaps mentioned about 4a (ii). I am talking about the copy in which we have revised the guidelines. We had seen two-three suggestions from the Committee. We have accepted all those recommendations. The first thing was that there is no match between an individual and an institution. An institution obtains full marks in some matters because age, education, personality and experience of an institution cannot be ascertained. So far as guidelines for retail outlet is concerns there was zero number for educational qualification. Now, both has been clubbed. Non-individual has been given more marks in capability to generate business. Now, I am talking about the retail outlet 15 marks has been given for educational qualified in individual case while 10 marks has been given for capability to generate business. Now, by clubbing both the marks, 25 marks have been given for capacity to generate business. It is difficult to ascertain the age of institutions.”

3.23 When the Committee asked about the amendments made by the MoP&NG in the guidelines on educational qualification, the witness stated as under:—

“Sir, no amendment was suggested in your letter in this regard. We have not made any changes in them. It was mentioned that there is no qualified of an institution and we give full marks to them. It is wrong what happens is that the institution gets dealership and individuals are rejected. We have now fixed zero marks for institutions with regard to their educational qualification and personality. For an individual case 15 marks have been fixed for education and two marks have been fixed for personality. These two marks will be added to capacity to generate business. Maximum five marks have been fixed for experience of the Petroleum Institutions. Two marks have been fixed for the institutions in the automobile transport services and one mark has been fixed for the institutions which are not in the automobile services, since the institutions concerned with petroleum, have been treated as more experience. I feel that the Committee

should satisfy with this review, institutions and individuals are now at par with each other.”

3.24 The Committee were informed by the representative of the MoP&NG that the definition of ‘family’ for the purpose of allotment of dealership/distributorship has also been amended in the revised guidelines.

3.25 The Committee asked as to whether the dealership quota of SCs and STs continue or will it be allotted to the institution? At this, the witness stated as under:—

“Sir, this goes to open category. This will not be allotted by reservation. The quota of SC and ST will continue. We are talking of open quota.”

3.26 The Committee pointed out that the Ministry have fixed zero marks to be given to the companies for their qualification. At point No.4, individual are to be given 10 marks and the companies are to be given 25 marks. The Committee wanted clarification on this. Submitting the clarification, the witness stated as under:—

“You will have to assess ability to generate business in a business organization. Whether it may be an intimation or an individual, and see the maximum business they can attract.”

3.27 The Committee asked when individual and institution is to be considered, why then there is a difference in marking? At this, the witness stated as under:—

“We have done it because we will have in this educational qualification whether the person is capable or not?”

3.28 When the Committee asked about the definition of ‘family’ member in the guidelines, the witness stated as under:—

“That has been amended. As per revised guidelines the applicant company will not be eligible if any of the director or his Family Member is holding at. If any of short relative is on that board, he will not be eligible.”

The witness further added:—

“ ‘Family Member’ ” is defined in the multiple dealership norm. for individual and as per this definition, person has been defined husband, wife, unmarried children. If husband, wife, unmarried children and in the family and if these people constitute any institution, it will have to be seen if any one of the spouse of the family has a distributorship, it will not be given to his/her partner. The definition of a family unit is – self, spouse, unmarried sons, unmarried daughters and in case of unmarried person. Self, father, mother, unmarried brother or sister, this in the definition of the Family.”

3.29 When the Committee asked if the company gives any application, is there any time-limit about the membership of the company to enable the Board of Directors in the company or members have the right to apply? The witness stated as under:—

“Now we are saying that if any person gives an application in the name of an institution or a company, and if in that institution a member of his family is director, and has any dealership, he will not be eligible.”



3.30 The Committee pointed out that if a person is authorized by Board of Directors of a company for a particular business in the name of the company and after his dismissal another person is authorized to carry out the business, those who have a place in the same Board of Directors, and if they have any business at any other place in their name, will he gets the second one. At this, the witness clarified as under:—

“Another thing has also been included in it that if any of the dealership is held by any of the director or his family members and in a holding company or subsidiary or any other company or Firm or Firm where shareholders of the company is controlling a stake of 51% or more. Even then he will not be given. People form another company.”

3.31 The Committee also pointed out that at Sl.No.4 under heading ‘capability to generate business’ 10 marks will be given to individuals and 25 marks to non-individual entities. Likewise at Sl.No.7 under heading ‘Business Ability/Acumen’ the marks will be given 5 and 7 respectively. The Committee wanted to know the justification for it? Replying to this, the witness submitted as under:—

“Whether it is an institution or an individual, he should be given equal marks out of 100. What was earlier practice? According to the earlier prevalent system individual/company was given marks for the personality which was wrong. As you asked how is personality determined? Though he does not have any personality, he gets marks. Total marks must be hundred because if there are not hundred marks then how could the equality be maintained? Add zero to personality and seven to business ability so that both become equal and individual should be given marks in personality also. If zero marks is added to that, it will not be right. Both have mixed form. The basic point is that the individual does not get priority, either more marks are taken in the name of institution or the member of family director etc. manipulate to handle dealership. It should be settled.”

3.32 The Committee asked about the criteria for examining the certificate furnished by an individual for experience, business eligibility, wisdom and personality etc. Explaining about this aspect, the witness stated as under:—

“There is four and two marks for experience and personality respectively. Candidate bring the certificate but the persons who are taking interview see how candidate answer the question. They have been given the similar rights as given in the case of Interview Committee which takes personality test for appointment of Government employees.”

3.33 The Committee pointed out when the Ministry are bringing transparency by amending the guidelines, there should be foolproof criteria that leave no scope for any comments by others and they should evolve such mechanism. Responsibility to this, the witness stated as under:—

“The Companies have adopted these things after long deliberation with the officers. What is being done, what could be done, how much discretionary power should be there all aspects have been taken into consideration. There are few marks for subjectivity.

### Observations/Recommendations

3.34 The petitioner, Shri Dineshwar Singh, r/o Kunwar Singh Nagar, Najafgarh Road, New Delhi, has submitted that there are gross irregularities in the guidelines issued by the Oil Companies for selection of Retail Outlet/LPG distributors, ignoring the middle class and weaker sections of the society. According to the petitioner, as per the guidelines in the context of the Public Limited Company formed under the Companies Act, 1956, the criteria regarding age, educational qualifications and personal experience will not apply and the candidates will be given full marks. On the other hand, marks have been bifurcated at different levels in order to debar the literate youth belonging to the middle and lower class families from doing such business. In this context, the petitioner has stated that M/s. CLC in West Bengal has reportedly commissioned 16 petrol pumps and LPG distributorship of various Oil Companies and has also applied for ROs in many places in Maharashtra, Gujarat, Uttar Pradesh, Bihar, etc. The petitioner has also stated that the Government extend financial support to a literate unemployed youth if he wants to do some business. But instead of awarding him full marks, only seven marks are given to the candidate based on the assurance letter of the bank. The petitioner has also stated that in the case of an individual applicant, it has been laid in the guidelines that if a member of a family has commissioned a Retail Outlet/LPG distributorship, other members of the same family will not be given another RO/ LPG distributorship. However, this definition of 'Family' is not applicable in the case of a company. The petitioner has also mentioned that as per the guidelines in the case of LPG distributorship, the godown should be within a distance of 15 kilometres from the commercial site, which may be out of the municipal limits even in case of large cities not to speak of village/blocks, thereby rendering the selection of site based on potential meaningless. The petitioner has further stated that there are many flaws in the guidelines which will deprive the applicants of the weaker and middle class sections of the society to enter this business. The petitioner has, therefore, requested that the matter may be investigated to remove these flaws in the guidelines issued by the Ministry of Petroleum and Natural Gas (MoP&NG)/Oil companies.

3.35 The Committee note from the written submission of the Ministry that after dismantling of APM w.e.f. 1.4.2002, public sector Oil Marketing Companies (OMCs) have commercial freedom for setting up of retail outlet dealerships/LPG distributorships and to select dealers/distributors for such dealerships/distributorships. Based on certain broad parameters advised to them by the Government, these OMCs have framed their respective guidelines for selection of dealers/distributors.

3.36 As regards the rationale behind excluding the candidate of the Public Limited Companies from the purview of the criteria relating to age, educational qualifications and personality and thus in the process giving them full marks and undue advantage over the candidates belonging to middle and lower class families, the MoP&NG informed the Committee that institutions like Registered Societies and companies registered under Companies Act, 1956 do not have Age, Educational Qualifications and Personality like an individual. Therefore, they cannot be evaluated as in the

case of individuals. The strength of institutions is considered to be more than that of individual on these parameters. Therefore, Institutions are awarded full marks on the parameter of Age, Education Qualification and Personality. Individual candidates who are in the age group of 26 to 46 get full (4) marks on the parameter of age. Candidates who have professional qualifications get full (15) marks and candidates can get full (2) marks on personality depending upon their interaction in the interview. Therefore, an individual candidate (irrespective of the class to which he belongs), who is in the age group 26 to 46 and has a professional qualification can get full 21 marks. The evaluation on all the parameters of all the applicants is carried out as per the laid down criteria for selection of LPG distributors. There is no difference in criteria except for evaluation on the parameters of educational qualifications, age and personality between Registered Societies/Companies registered under the Companies Act and the individuals candidates. Registered Societies/Companies registered under the Companies Act are awarded full marks on educational qualification, age and personality whereas individuals are awarded marks based on individual's capabilities in the evaluation for selection of distributors.

3.37 According to the Ministry, the guidelines for selection of dealers/distributors are transparent. These guidelines give complete details and are hosted on the corporation's website and also published with the advertisement. The result with marks secured by the candidates on the various parameters is displayed and hosted on the website. An applicant who has appeared for the interview and is aggrieved by selection may send his/her complaint to the Area Office/State Office in which the site for LPG distributorships is located. A representation/complaint is entertained if it is received by the office concerned within a month from the date of declaration of result. Efforts are made to ensure that the representation/complaint is disposed within 3 months from the date of receipt of response from the complainant. Pending disposal of complaint, Letter of Intent if issued will be kept in abeyance. Anonymous/pseudonymous complaints are normally not investigated. For other complaints a letter is sent by the oil company to the complainant through Registered Post, asking him to submit details of allegation with a view to *prima facie* substantiate the allegations along with supporting documents, if any, within 30 days. The concerned oil company examines the response of the complainant and if it is found that the complaint does not have specific and verifiable allegations, the same will be filed. When a decision is taken to investigate the complaint, one Senior Officer makes the investigation. In case complaint is not established, it is filed and the complainant is advised accordingly. In case the complaint is established against the empanelled candidate, action is taken with regard to appointment of the next candidate in the merit panel.

3.38 As regards the number of petrol pumps and LPG distributorships being commissioned by M/s CLC in the name of various companies, the Ministry informed the Committee that in the State of West Bengal, in response to the advertisements for award of RO dealership by IOCL, the company called M/s CLS Limited has applied at the following five locations: (i) Budge budge, (ii) Between Dunlop Bridge B.T. Road crossing and Dakshineswar on Vivekanand Road, (iii) Kanajuli, (iv) Khidderpore, and (v) Shaktigarh. Similarly, in response to the advertisement

for LPG distributorships by IOCL in West Bengal M/s CLS Limited has applied for 7 number of LPG distributorships—(i) Alipurdwār, Jalpaiguri district, (ii) Pundibari, Coochbehar District, (iii) Durgapur district, Burdwan (iv) Gorandi, District Burdwan, (v) Mecheda/Kolaghat, District Purba Medinipur, (vi) Shreerampore, Hooghly District, and (vii) Tarkeshwar, Hooghly District. LPG distributorship selection is yet to be made for all the above seven distributorships. The details/status of allotment of RO dealerships at five locations advertised in which M/s CLS Ltd. was one of the applicants, is as under:—

S.No.	Location	Status
1.	Budge budge	After due selection process, RO dealership awarded to the individual other than M/s CLS Ltd.
2.	Between Dunlop Bridge B.T. Road crossing and Dakshineswar on Vivekanand Road	After due selection process, RO dealership awarded to the individual other than M/s CLS Ltd.
3.	Kanajuli	Interview yet to be held. M/s CLS Ltd. is one of the two applicants for this location.
4.	Khidderpore	Interview/Re-interview held Complaint against M/s CLS Ltd. under investigation. Merit Panel not finalized.

3.39 The Committee are anguished to note that the guidelines of the Oil Companies for regulating selection of candidates for RO and LPG distributorship contained certain infirmities or lacked clarity which gave ample scope for manipulation in the selection of dealerships/distributorships. It has been observed by the Committee that the earlier definition of ‘Family’ for allotment of ROs was defective which allowed the employees of a company to corner a large number of ROs even if they are members of the same family. In this regard, it has been reported to the Committee that one such Company, namely M/s. CLS Limited in West Bengal have applied and are eligible for allotment of more than one petrol pumps and LPG distributorships of various Oil Companies. The guidelines are also silent about the action to be taken against the other outlets/ LPG distributors of the company in case of any default on the part of one of the outlets/ LPG distributorships owned by the company.

3.40 The Committee are happy to note that after their intervention, the Ministry have reviewed the guidelines and carried certain amendments in the guidelines for selection of dealers/distributors of petroleum products concerning evaluation of non-individual candidates (Government bodies/agencies, organized bodies, societies registered under Societies Registration Act 1860, charitable trusts registered with Charity Commissioner of respective State Government, companies formed under

the Companies Act, 1956) applying for dealerships/distributorships and applicability of multiple dealership norms to such non-individual entities. The amended guidelines came in to effect from 15.09.2008. As per the amended guidelines, in respect of selection for RO dealerships, non-individual candidates will henceforth be evaluated out of 100 marks as follows:—

Sl. No. Parameter	Individuals (including partnership)	Non- individuals
1. Capability to provide land and infrastructure/facilities	35	35
2. Capability to provide finance	25	25
3. Educational Qualifications	15	0
4. Capability to generate business	10	25
5. Age	4	4@
6. Experience	4	4^
7. Business Ability/Acumen	5	7
8. Personality	2	0
<b>Total</b>	<b>100</b>	<b>100</b>

@ Evaluation of 'Age' for non-individual candidates will be done as follows.

Sl. No. Number of years of existence	Marks to be awarded
1. Less than 3 years.	0
2. More than 3 years but less than 5 years.	2
3. More than 5 years.	4

^ Evaluation of 'Experience' for non-individual candidates will be done as follows.

Sl. No. Sector	Max Marks \$
1. Petroleum	4
2. Automobile/Transport services	2
3. Any sector other than mentioned above	1

\$ for this purpose, at least 1 year of experience of providing services in a particular sector will entitle the candidate for full marks and proportionately for experience of less than 1 year.

In respect of selection for LPG distributorships, non-individual candidates will henceforth be evaluated out of 100 marks as follows:—

S.No.	Parameter	Individuals (including partnership)	Non- Individual Entities
1.	Capacity to provide land and infrastructure facilities	35	35
2.	Capability to provide finance	35	35
3.	Educational Qualifications	15	0
4.	Age	4	15*
5.	Experience	4	8
6.	Business Ability/Acumen	5	7
7.	Personality	2	0
	<b>Total</b>	<b>100</b>	<b>100</b>

\*The marks on this parameter for non-individual candidates will be awarded as follows:—

S.No.	Age (years)	Marks
1.	3	7
2.	4	9
3.	5	11
4.	6	13
5.	7 or more	15

The applicability of Multiple Dealership Norms to various non-individual dealers/distributors will be as follows.

**A. For Companies registered under Companies Act, 1956**

- (i) The applicant company will not be eligible for RO dealership/LPG distributorship if any of the RO dealership/LPG distributorship is held by the following:
  - a. Any of the Director or his family members (family as in the case of multiple dealership norms for individuals).
  - b. Holding company or Subsidiary company.
  - c. Any other company or Firm where share holders (put together) of the applicant company have controlling stake *i.e.* 51% or more.

- (ii) **If any individual, partnership firm, company, organized body, trust or society already holding RO dealership/LPG distributorship acquire controlling stake in a company having RO dealership/LPG distributorship then the RO dealership/LPG distributorship of the acquirer would be liable to be terminated.**
  - (iii) **Government owned Companies defined as major shareholding with the Government, Public Sector & Joint Sector Units or Government administered Organizations will be excepted from the multiple dealership norms as per existing policy adopted by OMCs.**
- B. For organized bodies, charitable trusts registered with the Charity Commissioner of the respective State Government and societies registered under Societies Registration Act, 1860.**

Such entities will not be eligible for RO dealership/LPG distributorship if any of the RO dealership/LPG distributorship is held by any of the Member of the Governing Body/Managing Body/Any such other Body or his family members (family as defined in the case of multiple dealership norms for individuals). OMCs may enter into “Corporate tie-ups” with companies based on their marketing strategies and merit of the proposal. OMCs should frame their detailed guidelines on the basis of following broad parameters and with the approval of their respective Board of Directors,

- a. **Company should be listed on at least two Stock Exchanges say NSE & BSE.**
- b. **Minimum Authorized & Paid-up Capital may be specified.**
- c. **Dealership activity should not be their main business. In other words, the dealership activity has to be a support activity in the overall business venture.**
- d. **The RO dealerships allotted through ‘corporate tie-ups’ should be out of their regular Master Plan.**
- e. **Multiple Dealership norms will not be applicable.**

**3.41 The Committee are also happy to note that as per the amended guidelines, the norms relating to the ‘Family’ in case of an individual has also been made applicable in case of company/non-individual, it has been clarified by the Ministry that if any of the dealership is held by any of the director or his family members and in a holding company or subsidiary or any other company or Firm or Firm where shareholders of the company is controlling a stake of 51% or more, even then he will not be eligible for another retail outlet from the Oil Company. Consequently, the apprehension of the petitioner that some companies may monopolize the basis of ROs/ LPG, stands removed. The company/non-individuals will now not be eligible for more than one RO/ LPG.**

**3.42 The Committee note with satisfaction that in pursuance to their observations/directions during the evidence of the Ministry/Oil Companies, certain other lacunae/drawbacks have also been rectified in order to make the selection procedure for allotment of RO/distributorship more transparent and objective.**

Markings on certain parameters like age, educational qualification, business ability, experience and personality have been suitably modified and rationalized in the context of allotment of dealership to an individual or the applicants from the company. The Committee, however, note from the amended guidelines dated 15.09.2008 that in respect of RO dealership, non-individuals have been given more marks in capability to generate business. While the maximum marks awarded under this parameter is 25 for non-individuals, the same in the context of individuals is 10. The Committee are of the view that the markings in this regard favour the non-individuals and need to be reviewed to enable the individuals to compete with the non-individuals for award of retail outlet/distributorship. The revised marking patterns in respect of LPG distributorship appear to be well balanced and the similar pattern should be evolved in respect of RO dealerships.

3.43 The Committee are also not satisfied with the marks being allotted against the parameter, 'availability of finance' since the applicant belonging to the weaker section is deprived to get an opportunity to run a retail outlet as it would be difficult for him to arrange a large sum of money for establishment of the RO. In addition to this, the Oil Company also expects Bank guarantee and capability to provide land and infrastructure involving the amount of crores of rupees which, the Committee feel, is not possible for an individual from the weaker and backward class of the society to arrange. The Committee are, therefore, convinced that the parameter regarding 'Capability to provide land and infrastructure' and 'Capability to provide finance' are loaded in favour of affluent people and need to be suitably modified to enable the people of weaker and middle class to fulfil their genuine aspirations. The Committee, therefore, desire that the assurance given by the Banks regarding financial assistance should be treated as the capability to provide finance for the award of marks.

3.44 The Committee also observe that the site/location for the setting up of retail outlet/ LPG outlet is selected after survey regarding the business potential of the site/location. However, as submitted by the petitioner, the godown for the commercial site should be within a distance of 15 kms. The Committee are of the view that criteria of distance for setting up of the godown does not seem to be practicable and may have its ramifications on the business potential of the retail outlet/ LPG as well as its customers. The Committee, therefore, desire that the overall policy for assessment of the potential of the business site and the criteria relating to distance for setting up the godown may be revised and instead of 15 km., the distance may be 3 km. in rural area and within the municipal limits or 15 km., whichever is less the semi-urban and urban areas.

3.45 The Committee also desire that special provisions need to be contemplated on the lines of Corpus Fund to enable the weaker section and middle class people to enter into RO/ LPG distributorship business. The Committee, further recommend review of the requirements under parameters 'Capability to provide land and infrastructure' and 'Capability to provide finance', since the requirement of funds for setting up RO/ LPG outlets vary from place to place and may be even few lakhs in remote and rural areas. Further, the parameter relating to 'educational qualifications' needs to be rationalized and a minimum qualification as required for



the business should be prescribed, although some additional marks should be given if the candidate possesses the educational qualification(s) relevant to the business.

3.46 The Committee are constrained to observe that in most of the cases of allotment of ROs/LPG Distributorships, the complaints, which in a large number of cases were unsubstantiated, are received against the empanelled candidates, thereby inordinately delaying the commissioning of the RO/LPG Distributorship. The Committee are of the view that such complaint(s), if any, against the prospective candidates should be entertained and investigated one or two months before the scheduled date of interview and then only after disposal of the said complaint, the interview letters should be dispatched to the prospective candidates. Accordingly, the Committee recommend that a mechanism should be evolved to deal with the cases relating to complaints within a period of 30 days so that there is no undue delay in the commissioning of the ROs/LPG Distributorships once the selection procedure is over.

3.47 The Committee need not emphasise that Public Sector Oil Companies owe their existence to public funds and are thriving on the support and guidance of the Government. These Companies are, therefore, duty bound to contribute to social cause and welfare in an appropriate manner by ploughing back their profits for upliftment of common man of the country. The allotment of retail outlets/LPG distributorship is one of the means to help educated unemployed youth and small entrepreneurs belonging to backward and weaker strata of the society. The Committee, therefore, feel that the envisaged guidelines for corporate tie ups are not in consonance with the avowed objective of the public sector to provide succour and shelter to neglected and unemployed youth. The Committee, therefore, desire that these guidelines be suitably amended.

3.48 The Committee hope that these modifications in the guidelines, would bring in the much needed transparency and objectiveness in the selection of candidates and consequently provide a fair chance to the unemployed and educated youth belonging to the weaker section of the society to do their business in the field. Since there is always scope for improvement, the Committee recommend that the Ministry/Oil Companies should continue to make efforts to review their mechanism/guidelines for selection of the candidates for the dealership from time to time so that there is no scope for any manipulation and cause for any irregularity and grievance from any quarter. The Committee would like to be apprised of the action taken by the Ministry/Oil Companies in this regard.

## CHAPTER IV

### REPRESENTATION FROM SMT. PREMLATA ARORA OF BAREILLY AND FORWARDED BY KUNWAR SARVRAJ SINGH, MP, LOK SABHA REGARDING DELAY IN COMMISSIONING OF RETAIL OUTLET UNDER DEFENCE QUOTA BY THE IOCL AT BAREILLY CITY

Kunwar Sarvraj Singh, MP forwarded a representation signed by Smt. Premlata Arora, resident of A- 60, MIG Awas Vikas Colony, Rajender Nagar, Bareilly, UP regarding delay in commissioning of Retail Outlet (RO) at Bareilly city under Defence quota by the Indian Oil Corporation Limited (IOCL).

4.2 In her representation, the petitioner stated that she was allotted a RO by the IOCL after the martyrdom of her son late Lt. Pankaj Arora who gave supreme sacrifice while fighting with terrorists in Rajouri Sector of Jammu & Kashmir in August, 2003. She was interviewed by the IOCL on 21 June, 2004 for the dealership and the IOCL *vide* letter dated 30 August, 2004 offered her Letter of Intent (LOI) for RO dealership at Bareilly city. According to the petitioner, the IOCL has not made meaningful efforts for acquisition of land for the petrol pump and they are only showing verbal sympathy and they do not seem to be interested to give the right which the martyr's family deserve. The petitioner further stated that the IOCL had published an advertisement on 07.09.2007 for the distributorship of LPG in which proposals have also been invited for Defence category in Bareilly. Since the IOCL has not purchased the land for setting up of petrol pump, the petitioner had also applied for LPG dealership.

The petitioner therefore, requested that either a time limit be fixed for setting up the allotted RO by the IOCL or LOI be issued to her for LPG distributorship.

4.3 The Committee took up the representation for examination Lok Sabha. Under Direction 95 of the Directions by the Speaker, Lok Sabha Accordingly, the above representation was forwarded to the Ministry of Petroleum & Natural Gas (MoP&NG) on 30 May, 2008 for furnishing their comments on the issues/points raised in the representation.

4.4 In their response, the (MoP&NG) *vide* communication dated 1 July, 2008 furnished their comments as under:—

“IOCL has reported that a Letter of Intent (LOI) dated 31.8.2004 was issued to Smt. Premlata Arora mother of Late Lt. Pankaj Arora, for RO dealership at Bareilly City. The LOI was issued following the normal selection process for RO dealership under ‘Defence (Women)’. Since the LOI holder is eligible for financial assistance under Corpus Fund Scheme, all investments required for development of the RO are to be made by IOCL at the Corporation's own cost. Accordingly, efforts were made by IOCL to procure land from Government and private agencies

for development of the RO, but the same could not yield any favorable result immediately. In this regard, IOCL has also approached Defence Estate Officer (DEO) and held a meeting in the matter and it was decided that IOCL should again release advertisement for a suitable site. Subsequently, fresh advertisement has since been released on 23.1.2008 by IOCL in response to which three offers of the land had been received. Land evaluation Committee has visited all the three sites and found two sites to be technically suitable for development of Retail Outlet. Necessary negotiations for taking one of the sites on long lease is likely to be conducted during June, 2008.

However, in view of the widening gap between the prices of products sold by OMCs and the price they should be getting, this Ministry *vide* letter 11.6.2008, had advised all public sector oil marketing companies to put a stop on further commissioning of ROs for a period of two years, even where advertisements have been issued, except where the physical construction work of ROs has advanced to a point where a freeze may not be productive”.

4.5 The MoP&NG *vide* their communication dated 15 September, 2008 further informed the Committee as under:—

“Retail Outlet dealership at Bareilly city was advertised under Defence (W) category as A site dealership and the interviews were conducted on 21.06.2004. Smt. Premlata Arora, who was only eligible candidate, was placed 1st in the merit panel. After conducting FIR LOI was issued to her on 30.6.2004.

As per the extant policy, LOI holder was required to offer a suitable plot of land so as to facilitate IOCL development of Retail Outlet. However, being a mother of Martyr Lt. Pankaj Arora, SM, the case was considered sympathetically by IOCL, Lucknow and had tried to facilitate her in procurement of land by coordinating with different local Government agencies including local Army establishment at Bareilly. However, all these efforts did not yield any results. Consequently, advertisements were published on 11.12.2004, 16.09.2005, 15.07.2007, 23.01.2008 and 18.07.2008, but no suitable land could be obtained”.

4.6 Explaining about the reasons for delay in commissioning of dealerships of the RO allotted to the petitioner, the MoP&NG, in their written reply informed the Committee as under:—

“Since the petitioner could not provide suitable land and the efforts of IOCL could not succeed in obtaining suitable land, there is delay in commissioning of dealership”.

4.7 As regards allotment of LPG distributorship at Bareilly for which the petitioner has applied against advertisement dated 07.09.2007, the MoP&NG, in their written reply informed the Committee as under:—

“Application of the petitioner was not found suitable since she already holds LOI for RO dealership for location Bareilly city. As per policy guidelines, applicants who are holding LOI in their own name or in the name of their family members dealership/distributorship or LOI for dealership/distributorship of any oil company are not eligible for making applications for award of fresh dealership/distributorship”.

4.8 When the Committee wanted to know the difficulties if the LPG distributorship is allotted to the petitioner in lieu of the petrol pump, as requested by her, the MoP&NG commented in their note as under:—

“Smt. Premlata Arora had submitted application for RO dealership against advertised location Bareilly City and she was listed as first empanelled candidate in the merit panel after interviews. She was accordingly issued LOI for the RO dealership. There is no policy for change of LOI issued for RO dealership into LPG distributorship. As per the Corporation’s policy and directives of MoP&NG, any LOI holder of either Retail Outlet or SKO/LDO or LPG distributorship can not be considered to be eligible for any other Retail Outlet, SKO/LDO agency or LPG distributorship. Since Smt. Premlata Arora is one of the LOI holders for the Retail Outlet at Bareilly city, hence she is not eligible for LPG distributorship as per the extent policy”.

4.9 In a written reply to a question, as to whether the petitioner was eligible for financial assistance under Corpus Fund Scheme, the MoP&NG stated as under:—

“No, as per policy on Corpus fund, only candidates belonging to SC/ST categories widows and unmarried women over 40 years of age without earning parents are entitled for financial assistance under the Corpus Fund Scheme. Smt. Premlata Arora neither belongs to SC/ST category, nor she is widow, nor she is unmarried and hence she is not entitled for financial assistance under the scheme”.

The MoP&NG also stated as under:—

“No, this is not a case of allotment of dealership under special category of MoP&NG like OVSS?DQ. Smt. Premlata Arora has been selected against advertised location under Defence (W) category”.

4.10 Thereafter, the Committee took oral evidence of the representatives of the MoP&NG on 16 September, 2008. During the course of evidence, the witness, C.M.D., IOCL furnished the details of the case as under:—

“As we have said, we had issued LOI in June 2004 under Defence quota. She had stated in her application that she owned a land. Normally the ‘A’ site, other than the Corpus Fund, dealers who have the site or those who can arrange for the same are given the preference. We issued her LOI and tried hard for site at Bareilly. Later, we advertised in the Newspapers since December 2004 consecutively for four-five times for the site but all in vain. There is a problem of availability of land in Bareilly even now. We are not able to find a site in Bareilly even after much efforts. Neither LOI holder nor the company have succeeded in this regard. In certain LOI’s we are successful but in some cases we fail. This is such a case. We are trying a lot. It is not like that we are not making efforts. We have advertised for it four-five times. Normally we don’t advertise public ally but we also did this in this case. We are trying continuously. As regards the time limit I would like to say that we would try much harder”.

4.11 The Committee wanted to know about the efforts being made by the Oil Company to provide the land to the LOI holder of the RO allotted under Defence quota, as it is the duty of the Oil Company to provide the land to the dealer? At this, the witness from the IOCL stated as under :—

“I am telling you that we have advertised/notified in the Newspapers four-five times. Had we said that we won't do anything then it would not reflect in the efforts”.

4.12 The Committee pointed out that the Oil Company could not arrange the land for the RO even after 4 years and therefore, the Committee wanted to know whether the Oil Company would make any alternative arrangement in the matter? At this, the witness, C.M.D., of the IOCL stated as under:—

“This a case related to martyr's family. Therefore, 8% quota is for them. We have 17 thousand retail outlets. Every year we set up about a thousand to twelve hundred retail outlets. At many places normally within three to six months we establish the outlets. At places where we face pressure on land a little bit of time is taken. I mean only that within these six months we will inform again as what will be our line of action in case it is not likely to be done? But we will continue to strive for it. She has been issued LOI under this quota. We have to take all recourse to see that she has an outlet in Bareilly”.

4.13 When the Committee wanted to know as to how much time will be taken to settle this case, the witness from the IOCL stated as under:—

“...Give us six months time because it is very difficult. You know that getting sites in Delhi and Mumbai is most difficult”.

4.14 The Committee pointed out that they have put up advertisements for LPGs at so many places and if a member of such a family have applied in response thereto then why could the Oil Company not settle or adjust this case there against? At this, the witness stated as under :—

“We will adjust her in the prescribed category. If we give them opportunity separately at offered place that give rise to various complaints, court cases and stays by courts all around. So, we do not want to create the problem”.

4.15 The Committee asked when the land is not available then why they do not settle by offering COCO to them? Replying to this, the witness stated as under:—

“We will report to the Ministry regarding the possible alternative as per guidelines within six months. Sir, please give us a chance. We would like to have six months”.

The witness further added:—

“In six months period, we will propose an alternative to the Ministry which is within the guidelines”.

4.16 Explaining about the guidelines in this regard, the witness stated that the guidelines is that ‘if you are an LOI holder for one dealership agency you are not eligible for consideration for any other dealership agency’.

4.17 The Committee observed that the LOI is issued in the circumstances, when the Oil Company is satisfied and therefore it is their responsibility to arrange the land, for which the party should not face the difficulty. At this, the C.M.D., IOCL stated as under:—

“Sir, I agree. I am saying that every year we set up 1000 to 1200 outlets. Presently we have 1700 outlets. Just in one or two cases such problem have remained unsolved. These are exceptions and they are also going to be started in next 4-6 months”.

4.18 When the Committee wanted to know if the six months time is granted, would the Oil Company be able to make some alternative arrangement in the stipulated time period? Replying to this, the witness stated as under:—

“I have also said that she had also indicated that she will be able to, and we had that confidence. We do not blame her because it is very difficult to find land, and we have tried ourselves”.

4.19 The Committee pointed out that in their written reply, the Ministry had stated that two sites were found to be technically suitable for development of RO and necessary negotiations for taking one of the sites on long lease was likely to be conducted during June, 2008. The Committee asked about the further details in this regard? Explaining in details, the witness stated as under:—

“Sir, the owner of that land has demanded heavy price for the land for selling it or giving it on lease, which is eight to ten times more in value than Government approved value. For this assessment, there is a process and the value of land is fixed after taking into consideration the value of land in the whole area. The owner of the land was demanding rent or price for the land almost ten times more than that and therefore, the negotiations failed and the company's outlet could not be set up there”.

4.20 When the Committee asked as stated by the Ministry in their written reply whether further commissioning of the ROs have been stopped for a period of two years and whether this will also be applicable to this RO also? At this the witness, C.M.D., IOCL stated as under:—

“No, this LOI commitment is there. As I told the Hon'ble Chairman and Hon'ble Members, there has been a delay for the reasons explained by my colleague also. We will make all sincere efforts, and if we still get the feeling — within six months — that it is not possible, then we will have to come to the Ministry to have some alternative, which we can not say now because we will have to discuss it amongst ourselves”.

4.21 The Committee asked about the possibility to allot a direct RO to the petitioner. At this, the witness stated as under:—

“There is the COCO Policy and permanent COCO Company. They are different and we will have to examine it in the light of the policy. Therefore, we not be able to comment on it here”.

He further added:—

“In six months time we will take a view as to whether it is happening or not. We will take a call on it. We will discuss it with the Ministry and come out with a rehab package”.

#### **Observation/Recommendations**

4.22 The Committee note from the submission of the petitioner, Smt. Premlata Arora, R/o Bareilly, U.P. that she was allotted a Retail Outlet (RO) at Bareilly City on the basis of interview held on 21 June, 2004 by the IOCL, after the martyrdom of her son late Lt. Pankaj Arora who gave supreme sacrifice while fighting with terrorists in Rajouri Sector of Jammu & Kashmir in August, 2003. Letter of Intent (LOI) for the RO dealership at Bareilly city was also issued by the IOCL *vide* letter dated 30 August, 2004. But since then, the IOCL has not made any meaningful efforts for acquisition of land for setting up of the RO. According to the petitioner, the IOCL do not seem to be interested to give the right which a martyr’s family deserves. In response to an advertisement published by the IOCL on 07.09.2007, the petitioner had also applied for the distributorship of LPG. The petitioner therefore, requested that either a time limit be fixed for setting up of the allotted RO by the IOCL or LOI be issued to her for LPG distributorship.

4.23 The Committee were informed by the MoP&NG that a Letter of Intent (LOI) was issued to the petitioner on 30.06.2004 for RO dealership at Bareilly City on the basis of interview held on 21.06.2004. The LOI was issued following the normal selection process for RO dealership under ‘Defence (Women)’ category. As per the extant policy, LOI holder was required to offer a suitable plot of land to the IOCL so as to facilitate development of RO. But, this being a case of martyr’s mother, efforts were also made by IOCL to procure land from Government and private agencies for development of the RO. The IOCL had also tried to facilitate her in procurement of land by coordinating with different local Government agencies including local Army establishment at Bareilly. However, all these efforts did not yield any results. Consequently, advertisements were published on 11.12.2004, 16.09.2005, 15.07.2007, 23.01.2008 and 18.07.2008, but no suitable land could be obtained. Since the petitioner could not provide suitable land and the efforts of IOCL could not succeed in obtaining suitable land, there is delay in commissioning of dealership.

4.24 As regards allotment of LPG distributorship at Bareilly for which the petitioner has also applied against advertisement dated 07.09.2007, the Committee were informed that the application of the petitioner was not found suitable since she already holds LOI for RO dealership for location Bareilly city. As per policy guidelines, applicants who are holding LOI in their own name or in the name of their family members dealership/ distributorship or LOI for dealership/ distributorship of any oil company are not eligible for making applications for award of fresh dealership/ distributorship.

4.25 The Committee are anguished to note that the RO allotted to the petitioner could not be commissioned even after 4 years of its allotment. As a result thereof, she has to suffer great harassment and inconvenience. The very fact that the

petitioner has to approach the Committee for redressal of her grievance on the issue amply shows the manner in which the martyr's family has been treated with by the Oil Company. The Committee are of the view that once the LOI is issued to any individual, then it should be the responsibility of the Oil Company to make a efforts to commission the RO at the earliest in order to avoid unnecessary harassment and inconvenience to the applicant. The Oil Company can not simply put the entire responsibility on the applicant for the commissioning of the allotted RO. It is surprising to note that the Oil Company could not arrange and acquire a suitable plot of land to the petitioner, even after 4 years. This only shows that there is lack of adequate and coordinated efforts on the part of the Oil Company. The Committee strongly deprecate the utter lack of will and sincerity on the part of IOCL, which did precious little but for issuing three advertisements in first three years with 3rd advertisement being issued after a gap of nearly two years. Being the mother of martyr's soldier, the Committee are of the view that such cases should be taken on priority and treated on different footing from the applicants of general category. The Ministry, being the nodal agency, also can not absolve their responsibility in regulating such cases. The Committee regret to note that there is no time frame for commissioning of RO after issue of LOI to the applicant. Consequently, the Ministry/Oil Company are not bound by the commitment to commission the RO without undue delay. The Committee, therefore, recommend that the guidelines in this regard should be suitably amended in order to fix time limit to commission the RO for which LOI has already been issued to the selected candidate. In case, the RO is not commissioned, for one reason or the other, an immediate alternate arrangement should be worked out to help the candidate. During the course of evidence, the Committee were assured by the Oil Company that every effort will be made to commission the RO of the petitioner within a period of six months and in case the same does not happen, the Oil Company will work out an alternate arrangement in order to redress the grievance of the petitioner. The Committee, therefore, recommend that the MoP&NG/ Oil Company should take conclusive action in this regard expeditiously, so that the RO of the petitioner is commissioned without further delay, alternatively her application for allotment of LPG distributorship should be considered immediately to enable her tide over the mental agony and financial hardship. The Committee would like to be apprised of the action taken in this regard within a period of 3 months.

NEW DELHI;  
6 November, 2008  
 15 Kartika, 1930 (Saka)

PRABHUNATH SINGH,  
 Chairman,  
 Committee on Petitions.



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

The Committee on Petitions sat on Thursday, 15th February, 2007 from 1500 hrs. to 1650 hrs 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 Wangyuh W. Konyak
4. Adv. Suresh Kurup
5. Shri Kishan Singh Sangwan
6. Shri Paras Nath Yadav

SECRETARIAT

1. Shri J.P. Sharma — *Joint Secretary*
2. Shri A.K. Singh — *Director*
3. Shri U.B.S. Negi — *Under Secretary*

WITNESSES

*Ministry of Petroleum and Natural Gas*

1. Shri M.S. Srinivasan — *Secretary*
2. Shri D.N. Narasimha Raju — *Joint Secretary*
3. Shri Sanjay Gupta — *Deputy Secretary*
4. Shri G.C. Daga — *Director (Marketing), BPCL*
5. Shri S. Radhakrishnan — *Director (Marketing), IOCL*
6. Shri A.M.K. Sinha — *Executive Director (RS), IOCL*
7. Shri S. Krishnamurthy — *Executive Director (Retail), BPCL*

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2. At the outset, Chairman welcomed the representatives of the Ministry of Petroleum and Natural Gas, Ministry of Urban Development and Ministry of Defence 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, Ministry of Urban Development and Ministry of Defence on the following representations:—

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- (ii) Representation from Smt. Suprabha of village Shekhpura, District Sonapat requesting to enquire into the irregularities done in allotment of petrol pump situated at Gannaur Railway Road (Haryana);

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**II. Representation from Smt. Suprabha of village Shekhpura, District Sonapat requesting to enquire into the irregularities done in allotment of petrol pump situated at Gannaur Railway Road (Haryana).**

The following issues/points were discussed by the Committee:—

- (i) Details about allotment of Open Women Rural Retail Outlet by BPCL in District Gannaur, Sonapat;
- (ii) Details about location and site verification of the above dealership; and
- (iii) Procedure adopted for giving marks in the interview for allotment of the dealership.

Thereafter, the Committee directed the Ministry to examine the matter about the category of dealership for which it was advertised and also to call for the records from the District Collector and then direct the oil company accordingly and thereafter to submit the necessary information to the Committee.

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**VII. Representation from Dr. K.R. Chaudhry of Tehsil Itwa (UP) and countersigned by Mohd. Mukeem, MP alleging about irregularities done in award of dealership of IOCL at Itwa, District Siddharth Nagar.**

According to the IOCL, there was irregularity in awarding marks for land to the candidate, as a result no one could be empanelled, as otherwise the petitioner could have been selected.

The Committee desired that they may be informed about the action taken against the officers in the Selection Committee who committed irregularities and also the petitioner should be given priority if re-interview for the dealership is conducted.

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

5. 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 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 and 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 (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 and 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 Engg. 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

2. At the outset, the 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 disposal.

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

- (i) Representation from Shri Dineshwar Singh of Nangloi, Delhi regarding neglecting the youths belonging to weaker and middle class sections in the guidelines issued by the Ministry of Petroleum and Natural Gas meant for commissioning of LPG distributorships;

- (ii) Representation from Shri K. Gangadharan regarding discrepancy in the allotment of various quotas for new Gas Agencies by IOCL in Palakkad District, Kerala;
- (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;
- (iv) Representation from Dr. Sujan Chakraborty, M.P. and Manoj Bhattacharya, M.P. regarding grant of *ex-gratia* to ex-employees of ONGC;
- (v) Representation from Shri Devdas B. Narayankar of Mumbai and forwarded by Shri A.P. Abdulla Kutty, MP regarding vacation of premises under possession of BPCL;
- (vi) Representations from Md. Jamal of Sadatpur and Shri Satya Narayan Kumar Singh of Badkagaon, Muzaffarpur, Bihar requesting for conversion of COCOs into regular ROs allotted by IOCL at Sadatpur and Badkagaon locations in Bihar; and
- (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.

**I Representation from Shri Dineshwar Singh of Nangloi, Delhi regarding neglecting the youths belonging to the weaker and middle class sections in the guidelines issued by the Ministry of Petroleum and Natural Gas meant for commissioning of LPG distributorships;**

The Ministry of petroleum and Natural Gas requested to grant time of one month to review the case in detail.

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4. 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 NINETY FIFTH SITTING OF THE COMMITTEE ON  
PETITIONS (FOURTEENTH LOK SABHA)

The Committee on Petitions sat on Tuesday, 16th September, 2008 from 1100 hrs. to  
1250 hrs. in Committee Room No. 53, First Floor, Parliament House, New Delhi.

PRESENT

Shri Prabhunath Singh — *Chairman*

MEMBERS

2. Shri Shingada Damodar Barku
3. Shri Manikrao Hodlya Gavit
4. Adv. Suresh Kurup
5. Shri Kishan Singh Sangwan
6. Shri Francisco Sardinha
7. Shri Paras Nath Yadav

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*

*Ministry of Petroleum and Natural Gas*

1. Shri R.S. Pandey — *Secretary (P&NG)*
2. Shri S. Sundareshan — *Addl. Secretary (P&NG)*
3. Shri D.N. Narasimha Raju — *Jt. Secretary (Marketing)*
4. Shri Pramod Nangia — *Director (Mkt.)*
5. Shri P. Kalyanasundaram — *Director (Dist.)*
6. Shri Sanjay Gupta — *Director (IOC&MC)*
7. Shri Lalchandama — *US (IOC & MC)*

*Bharat Petroleum Corporation Ltd.*

1. Shri Ashok Sinha — *CMD*
2. Shri S. Radhakrishnan — *Director (Mkt.)*
3. Shri Pallav Ghosh — *General Manager (Retail HQ)*
4. Shri Pramod Sharma — *General Manager &  
Executive Asstt. to C & MD*

*Indian Oil Corporation Ltd.*

1. Shri S. Behuria	—	CMD
2. Shri G.C. Daga	—	Director (Mkt.)
3. Shri A.M.K. Sinha	—	Exe. Director (RS)
4. Shri Mrinal Roy	—	Exe. Director
5. Shri Rakesh Malhotra	—	Gen. Manager (Coord.)
6. Shri M.S. Shinde	—	Sr. Manager (RS)
7. Shri S. Kar	—	CEA to Director (M)
8. Shri R.K. Arora	—	DGM (LPG), HO

*Hindustan Petroleum Corporation Ltd.*

1. Shri Arun Balakrishanan,	—	CMD
2. Shri. S. Roychoudhury	—	Director (Marketing)
3. Shri G.A. Shirwaikar	—	ED-LPG
4. Shri Ajit Singh	—	GM-Coord.

2. At the outset, Chairman welcomed the representatives of the Ministry of Petroleum and Natural Gas and drew their attention to Director 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings. The Chairman also drew attention to Direction 95 which stipulates that the Committee shall 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.

3. The Committee, thereafter, took oral evidence of the representatives of the Ministry of Petroleum and Natural Gas (MoP&NG) on the following representations:—

- (i) Representation from Shri S. Siva Sankara Rao from District Guntur requesting for re-instatement of his LPG Distributorship terminated by HPCL;
- (ii) Representation from Smt. Premlata Arora of Bareilly forwarded by Kunwar Sarvraj Singh, MP regarding delay in allotment of Petrol Pump under Defence quota by IOCL at Bareilly;
- (iii) Representation from Shri Amit Kumar Verma of East Champaran District, Bihar requesting for revocation of suspension of R.O. allotted by IOCL;
- (iv) Representation from Shri Akhileshwar Singh of District East Champaran forwarded by Shri Dharendra Agarwal, MP regarding openion of 'Kisan Sewa Kendra' by IOCL;
- (v) Representation from Dr. B. Doraswamy Naidu of Chittoor regarding vacation of premises under possession of BPCL; and





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

The Committee on Petitions sat on Tuesday, the 21st October, 2008 from 1500 hours to 1545 hours in Chairman's Room No. 45(II) Ground Floor, Parliament House, New Delhi. In the absence of the Chairman, the Committee chose Shri Anant Gangaram Geete to act as Chairman for the sitting under Rule 258 (3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

PRESENT

Shri Anant Gangaram Geete — *In the Chair*

MEMBERS

2. Shri N.S.V. Chittan
3. Shri Sardinha Francisco
4. Shri Wangyuh W. Konyak
5. Shri C. Kuppusami

SECRETARIAT

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

2. The Committee decided to defer the consideration of the following draft reports in their next sitting:—

- (i) Forty Third Report on the representations concerning the Ministry of Defence (Department of Defence).
- (ii) Forty Fourth Report on the representations concerning the Ministries of Culture, Rural Development, Civil Aviation, Heavy Industries and Public Enterprises (Department of Heavy Industries).
- (iii) Forty Fifth Report on the representations concerning the Ministry of Petroleum and Natural Gas.

*The Committee then adjourned.*

MINUTES OF THE NINETY NINTH SITTING OF THE COMMITTEE ON  
PETITIONS (FOURTEENTH LOK SABHA)

The Committee on Petitions sat on Thursday, the 6th November, 2008 from 1500 hours to 1545 hours in Chairman's Room No. 45(II) Ground Floor, Parliament House, New Delhi.

PRESENT

Shri Prabhunath Singh — *Chairman*

MEMBERS

2. Shri Sardinha Francisco
3. Shri Mohan Jena
4. Adv. Suresh Kurup
5. Shri Kishan Sing Sangwan

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*
6. Smt. Jagriti Tewatia — *Committee Officer*

2. The Committee considered and adopted the following draft reports of the Committee with slight modifications as shown in the Appendix-I:—

- (i) Forty Third Report on the representations concerning the Ministry of Defence (Department of Defence).
- (ii) Forty Third Report on the representations concerning the Ministries of Culture, Rural Development, Civil Aviation, Heavy Industries and Public Enterprises (Department of Heavy Industries).
- (iii) Forty Third Report on the representations concerning the Ministry of Petroleum and Natural Gas.

3. The Committee also authorised the Chairman to finalise and present the above Reports to Hon'ble Speaker in terms of Directions 71A of the Directions by the Speaker.

*The Committee then adjourned.*

AMENDMENT MADE BY THE COMMITTEE ON PETITIONS IN THE DRAFT  
FORTYTHIRD REPORT

Para 2.44, 7 line onwards from bottom

- For* — The Committee, therefore, recommend that an independent inquiry may be instituted immediately to look into all aspects of the petitioner's grievances including his removal from service wherein the petitioner should be given full opportunity and legal assistance to put forth his case. The Committee would like to be apprised of the outcome of the inquiry along with supportive documents which may be completed within a period of 3 months.
- Substitute* — The Committee, therefore, recommend that the petitioner should be reinstated in the Army with full honour on notional basis retrospectively from the date he was cashiered from service and be paid all consequential benefits with full pay and allowances which could have accrued to him in the normal course but for his dismissal from service. The Committee would like to be apprised of the conclusive action taken in this regard within a period of 3 months.

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The Souvenir Items with logo of Parliament are also available at Sales Counter, Reception, Parliament House, New Delhi. The Souvenir items with Parliament Museum logo are available for sale at Souvenir Shop (Tel. No. 23035323), Parliament Museum, Parliament Library Building, New Delhi. List of these items are available on the website mentioned above.”

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