

12.03 hrs.

Title: Statement by Minister regarding "no purchase--no sale" of petroleum products campaign announced by Federation of All India Petroleum Traders.

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK): Sir, the Federation of All India Petroleum Traders (FAIPT) have been pressing the Government for an early decision of certain issues pertaining to Dealers" Commission, Quality, Temperature Variation Allowance, etc. of petroleum products. The Union Government had constituted three committees to examine the various issues in detail in consultation with FAIPT. Reports of the Committees on Quality Issues and Temperature Variation Allowance have been received. The report on Dealers" commission is in final stage and is likely to be received shortly. The Ministry is looking into the demands of FAIPT. The Dealers" commission is revised periodically. This time also the same will be revised after proper examination and analysis.

As has already been reported in the newspapers FAIPT had given a notice of "No Purchase--No Sale" campaign with effect from the midnight of 19th August. If the call for "No Purchase--No Sale" campaign had materialised, a strike like situation would have emerged in which the retail outlets being operated by some of the dealers of oil marketing companies namely, Indian Oil Corporation (IOC), Hindustan Petroleum Corporation Ltd. (HPCL), Bharat Petroleum Corporation Ltd. (BPCL) and IBP Co. Limited would have stopped retailing Motor Spirit and High Speed Diesel from the midnight of 19th August. It was apprehended that supplies of Motor Spirit and high Speed Diesel to public might have been disrupted. I had, therefore, convened a meeting of Chairmen & Managing

(Placed in Library see No. LT. 4001/2001)

Directors and Directors (Marketing) of oil marketing companies on 6.8.2001 to review the developments. Thereafter, the Directors (Marketing) of Oil Marketing Companies have had three rounds of negotiations with FAIPT to resolve the issues.

In view of the fact that it is the responsibility of the Government to maintain uninterrupted supply of petroleum products, I had also convened a meeting of Secretaries (Food and Civil Supplies) of State Governments and Union Territories and the oil marketing Public Sector Undertakings on the 10th August, 2001 to discuss steps required to be taken in order to meet this eventuality. During this meeting, the State Governments and the Union Territory Administrations assured that they would extend their full co-operation in handling the emanating threats and to ensure that there was no interruption in Motor Spirit and High Speed Diesel supplies during the period of agitation.

As a result of discussions, a "Contingency Plan" was drawn up outlining the steps to be adopted by State Governments/Union Territory Administrations/District Administration and Oil Companies so that the supplies of Motor spirit and High Speed Diesel are maintained during the period of agitation.

Under the "Contingency Plan" the District Collectors were advised to take all steps to maintain the supplies through the retail outlets owned and operated by oil companies, consumer pumps, dispensing facilities in oil company depots, installations/terminals, LPG bottling plants and pipeline tap-off-points and also to take over the dealer operated retail outlets which are located in key and prominent locations in cities, National and State Highways, pilgrim and tourist centres etc. and operate through oil companies.

I am happy to announce today that the FAIPT has agreed not to go ahead with the 'no-purchase no-sale' campaign and there is now no apprehension of any disruption of normal supplies of Motor Spirit and High Speed Diesel and no difficulty will have to be faced by the people for meeting their day to day needs of these petroleum products. The Government have assured the FAIPT that their concerns will be looked into as early as possible.