

**COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND
SCHEDULED TRIBES
(1998-99)**

(TWELFTH LOK SABHA)

SEVENTH REPORT

ON

MINISTRY OF PETROLEUM AND NATURAL GAS

Action taken by the Government on the recommendations contained in the Tenth Report (Eleventh Lok Sabha) of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes on the Ministry of Petroleum and Natural Gas—Reservation for Scheduled Castes and Scheduled Tribes in allotment of Gas and Petrol Agencies.



*Presented to Lok Sabha on 9-12-1998
Laid in Rajya Sabha on 9-12-1998*

**LOK SABHA SECRETARIAT
NEW DELHI**

December, 1998/Agrahayana, 1920 (Saka)

CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	(v)
CHAPTER I Report	1
CHAPTER II Recommendations/Observations which have been accepted by the Government.....	4
CHAPTER III Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies	5
CHAPTER IV Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration	7
CHAPTER V Recommendations/Observations in respect of which final replies have not been received	9
APPENDIX Analysis of Action Taken by Government on the recommendations	10

COMPOSITION OF THE COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND SCHEDULED TRIBES
(1998-99)

Shri Kariya Munda—*Chairman*

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SECRETARIAT

1. Shri Joginder Singh—*Joint Secretary*
2. Shri B.R. Kanathia—*Director*

INTRODUCTION

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes having been authorised by the Committee to submit the Report on their behalf, present this Seventh Report on Action taken by the Government on the recommendations/observations contained in the Tenth Report (Eleventh Lok Sabha) on the Ministry of Petroleum and Natural Gas—Reservation for Scheduled Castes and Scheduled Tribes in allotment of Gas and Petrol Agencies.

2. The Draft Report was considered and adopted by the Committee at their sitting held on 15 September, 1998.

3. The Report has been divided into the following chapters:—

I. Report.

II. Recommendations/Observations, which have been accepted by Government.

III. Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies.

IV. Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.

V. Recommendations/Observations in respect of which final replies of Government have not been received.

4. An analysis of the Action Taken by Government on the recommendations/observations contained in the Tenth Report (Eleventh Lok Sabha) of the Committee is given in the Appendix. It would be observed therefrom that out of 6 recommendations made in the report, the Committee do not desire to pursue 3 recommendations *i.e.* 50 percent in view of the reply given by Government and on 3 recommendations *i.e.* 50 percent the Committee while not accepting the reply of Government have desired further comments on them.

NEW DELHI;
December, 1998
Agrahayana, 1920 (S)

KARIYA MUNDA,
Chairman,
Committee on the Welfare
of Scheduled Castes and
Scheduled Tribes.

CHAPTER I

REPORT

1.1 This Report of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes deals with the action taken by the Government on the recommendations contained in their Tenth Report (Eleventh Lok Sabha) on the Ministry of Petroleum and Natural Gas on "Reservation for Scheduled Castes and Scheduled Tribes in allotment of Gas and Petrol Agencies."

1.2 The Tenth Report was presented to Lok Sabha on 5th August, 1997. It contained six recommendations. Replies of the Government in respect of these recommendations have been examined and may be categorised as under:—

- (i) Recommendations/Observations which have been accepted by the Government (Nil).
- (ii) Recommendations/Observations which the Committee do not desire to pursue in the light of the replies received from the Government (Sl. Nos. 4, 5, 6).
- (iii) Recommendations/Observations replies to which have not been accepted by the Committee which need reiteration (Sl. Nos. 1, 2, 3)
- (iv) Recommendations/Observations in respect of which final replies of the Government have not been received (Nil).

1.3 The Committee will now deal with the action taken replies of the Government which need reiteration or merit comments.

RESERVATION

Recommendation (Sl. No. 1, Para 2.8)

1.4 The Committee had noted that as per 1991 census of India in each State where percentage of total Scheduled Castes and Scheduled Tribes population is less than 25% or more, reservation of 25% has been prescribed as per guidelines issued by the Ministry of Petroleum and Natural Gas. For instance, in the State of Kerala and Haryana the percentage of total SC/ST population is 11% and 19.75%. Similarly, in Orissa and Tripura it is 38.41% and 47.31% respectively whereas the reservation prescribed by the Government is only 25 per cent. The Committee, had, therefore, recommended that keeping in view the SC/ST population of 1991 census, the present guidelines issued by the Government should be revised and be made applicable in proportion to the SC/ST population of each State. The Committee had also desired that percentage of reservation in each State/Union Territory should be

revised in proportion to the population of SCs/STs therein after every population census.

1.5 In their reply the Ministry of Petroleum and Natural Gas have stated that this point needs further deliberation by the Government. The Committee will be informed after the views of the Government on this aspect are finalised.

Comments of the Committee

1.6 The Committee are not at all satisfied with the reply of the Government, hence reiterate its earlier recommendation and desire that a decision to revise percentage of reservation in each State/Union Territory in proportion to the population of SCs/STs after every population census should be taken at the earliest and the Committee may also be apprised.

ELIGIBILITY CRITERIA

Recommendation (Sl. No. 2, Para 2.12)

1.7 The Committee had recommended that keeping in view the social conditions of SCs/STs people relaxation should be given to them in educational qualification and other eligibility criteria while considering their eligibility for allotment of Gas and Petrol Agencies.

1.8 In their reply the Government have stated that the minimum qualification being only Matriculation, it cannot be relaxed further in case of SC/ST for award of dealerships/distributorships. The only exemption in educational qualification has been made in respect of 'OSP' (Out Standing sports persons) and 'FF' (Freedom Fighters) category keeping in view the fact that these two categories are exceptional categories by way of their contribution to the country in their respective field, which might have prevented them to pursue education.

Comments of the Committee

1.9 The Committee are not satisfied with the reply of the Government that no relaxation can be given to SCs and STs in minimum educational qualification for award of dealerships/distributorships. The Committee opined that Scheduled Castes and Scheduled Tribes are still exploited, discriminated and oppressed people and there has been no sea change in their social conditions. The point to ponder is that the literacy rate for SCs and STs is 37.41% and 29.60% respectively, therefore, in this overt situation of low literacy rate much below the national level the Committee reiterate its earlier recommendation that relaxation in educational qualification and other eligibility criteria must be given to SC/ST people for allotment of Gas and Petrol Agencies.

SELECTION

Recommendation (Sl. No. 3, Para 3.5)

1.10 The Committee had noted with displeasure that neither previous Oil Selection Board nor present Dealer Selection Board includes any person belonging to Scheduled Castes/Scheduled Tribes category either

from State Government or from Oil Companies to give adequate representation to these categories. The Committee had, therefore, recommended that the Government should take appropriate action to modify the existing instructions accordingly and if it is not possible to include SC/ST person in the Board a person belonging to Scheduled Caste/Scheduled Tribe category should be co-opted in the Board.

1.11 In their reply the Government have mentioned that against the locations reserved for SC/ST category only SC/ST candidates can apply and candidate belonging to that category only and not of any other category, will be selected. The Chairman of the Board, who is retired judge of High Court, will of course ensure that only suitable candidate is selected. In view of this, it is felt that there is no need for including an additional member in the Selection Board either from outside or from within the Oil Company, belonging to SC/ST category.

Comments of the Committee

1.12 The Committee feel that although locations are reserved for SC/ST category and the Chairman of the Board ensures that only suitable candidate is selected even then inclusion of SC/ST person in the Selection Board as member or a co-opted member would give more clear picture about the selection of locations and applicants. The Committee, therefore, reiterate its earlier recommendation and desire that a provision for inclusion of SC/ST member in the Selection Board should be made mandatory.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

-NIL-

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

Recommendation (Sl. No. 4, Para 3.9)

The Committee are happy to note that under the financial assistance scheme dealerships/distributorships, complete in all respect including delivery system are handed over to SC/ST allottees and other assistance such as acquisition of land, finance and establishment of other infrastructure are being provided to SC/ST allottees. The Committee also note that as per instructions issued by the Ministry of Petroleum and Natural Gas, candidates of all categories selected for award of agencies have to arrange the necessary land/finance within 4 months of the selection failing which the Oil Companies will have the right to award the agency to the next person in the panel. The Committee are of the view that providing all help to SC/ST allottees by the Oil Companies to establish all infrastructure for dealerships/distributorships is a right step towards upliftment of these people. The Committee, however, desire that in case there is some delay in arranging land, finance etc. by SC/ST people they may be given some more time beyond 4 months to arrange the same.

Action taken by the Government

In respect of RO and SKO/LDO dealerships where the Corpus Fund Scheme is applicable the land and other infrastructural facilities such as Building etc. are provided by the Oil Companies. The candidate is also given appropriate Working Capital to run the dealership. It is therefore felt that there is no need for extending the validity of the LOI in respect of the dealership allotted to SC/ST candidate.

As per the existing policy in respect of LPG, if the distributor select prefers to arrange land, showroom, godown etc. on his own instead of availing Corpus Fund facility, he is allowed to do so by the Industry. In such cases, the validity of the LOI can be extended for a further period as per the requirement of each case.

Recommendation (Sl. No. 5, Para 4.4)

The Committee note that the execution of the reservation guidelines started in 1980 and as per Ministry the Oil Industry in achieving the percentage of 25% reservation w.e.f. 1980-81 for SC/ST in the allotment of dealership/distributorship. The Committee also note that although the percentage of reservation has been achieved after 1980 but the overall percentage of SC/ST allottees all over the country is 9.54% which is

alarming. The Committee feel that sincere efforts have not been made by the Ministry of Petroleum and Natural Gas and Oil Companies to give due representation to Scheduled Castes and Scheduled Tribes people. The Committee, therefore, desire that the Ministry should make a review of the situation and take all necessary steps in their prospective marketing plan so as to achieve the stipulated target prescribed by the Government for Scheduled Caste and Scheduled Tribes categories.

Action taken by Government

It may be noted that 9.54% of SC/ST dealership out of the total dealerships/distributorships in the country is from the beginning i.e. even when the Public Sector Oil Companies were not in the field and when there was no reservation for any particular category. It will therefore not be feasible or practical to consider those numbers where there was no reservation for ensuring the required 25% reservation for SC/ST category. It can be seen that from the inception of marketing Plan i.e. 1980-81 the industry has achieved 25% reservation in respect of dealerships/distributorships.

Recommendation (Sl. No. 6, Para 4.7)

The Committee note that progress of implementation of the Marketing Plan and the allotment made under various categories are monitored through periodical reports, meetings and deficiencies/shortcomings noticed by the Government are brought to the notice of the Oil Companies. However, the Committees desire that the roster registers maintained by different oil companies should be inspected at regular intervals by a designated officer of the Ministry and discrepancies noted during such inspections should be rectified. The Committee also stress that Ministry of Petroleum and Natural Gas should ensure strict compliance and monitor the implementation of reservation provisions by the Oil Industry.

Action taken by Government

The Marketing Plans which are in the form of rosters are approved by the Ministry of Petroleum & Natural Gas before implementation. Regular reports are also being submitted to the Ministry by the Oil Industry and the Ministry reviews such reports and monitors the progress of the commissioning of the dealerships/distributorships awarded under SC/ST category periodically. In view of the above, it is considered not necessary to inspect the roster maintained by the oil companies.

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation (Sl. No. 1, Para 2.8)

The Committee note with dismay that as per 1991 Census of India in each State where percentage of total Scheduled Castes and Scheduled Tribes population is less than 25% or more, reservation of 25% has been prescribed as per guidelines issued by the Ministry of Petroleum and Natural Gas. For instance, in the State of Kerala and Haryana the percentage of total SC/ST population is 11% and 19.75%, similarly, in Orissa and Tripura it is 38.41% and 47.31% respectively whereas the reservation prescribed by the Government is only 25 percent. The Committee regret to note that there is no justification for such reservation which do not serve the purpose of constitutional safeguard provided to Scheduled Castes and Scheduled Tribes people. The Committee, therefore recommend that keeping in view the SC/ST population of 1991 census, the present guidelines issued by the Government should be revised and be made applicable in proportion to the SC/ST population of each State. The Committee also desire that percentage of reservation in each State/Union Territories should be revised in proportion to the population of SCs/STs therein after every population census.

Action taken by the Government

This point needs further deliberation by the Government. The Committee will be informed after the views of the Government on this aspect are finalised.

Comments of the Committee

Please see para 1.6 of Chapter-I of the Report.

Recommendation (Sl. No. 2, Para 2.12)

The Committee note that the people belonging to Scheduled Caste and Scheduled Tribe categories generally come from socially, economically and educationally backward strata of the society and therefore, may not be in a position to fulfil all the eligible criteria. The Committee, therefore, recommend that keeping in view the social conditions of SCs/STs people relaxation should be given to them in educational qualification and other eligibility criteria while considering their eligibility for allotment of Gas and Petrol Agencies.

Action taken by the Government

The Government is of the view that the minimum qualification being only Matriculation cannot be relaxed further in case of SC/ST for award of dealerships/distributorships. The only exemption in educational qualification has been made in respect of 'OSP' and 'FF' category keeping in view the fact that these two categories are exceptional categories by way of their contribution to the country in their respective field, which might have prevented them to pursue education.

Comments of the Committee

Please see para 1.9 of Chapter-I of the Report.

Recommendation (Sl. No. 3, Para 3.5)

The Committee note with displeasure that neither previous Oil Selection Board nor present Dealer Selection Board includes any person belonging to Scheduled Castes/Scheduled Tribes category either from State Government or from Oil companies to give adequate representation to these categories. The Committee recommend that the Government should take appropriate action to modify the existing instructions accordingly and if it is not possible to include SC/ST person in the Board a person belonging to Scheduled Caste/Scheduled Tribe category should be coopted in the Board.

Action taken by the Government

Against the locations reserved for SC/ST category only SC/ST candidates can apply and candidate belonging to that category only and not of any other category, will be selected. The Chairman of the Board, who is retired Judge of High Court, will of course ensure that only suitable candidate is selected. In view of this, it is felt that there is no need for including an additional member in the Selection Board either from outside or from within the Oil Company, belonging to SC/ST category.

Comments of the Committee

Please see para 1.12 of Chapter-I of the Report.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH
FINAL REPLIES OF THE GOVERNMENT HAVE NOT BEEN
RECEIVED

-NIL-

NEW DELHI;
December, 1998

Agrahayana, 1920(S)

KARIYA MUNDA
Chairman,
Committee on the Welfare
of Scheduled Castes and Scheduled Tribes.

APPENDIX

(Vide para 4 of the Introduction)

Analysis of the Action Taken by the Government on recommendations contained in the 10th Report (Eleventh Lok Sabha) of the Committee on the welfare of Scheduled Castes and Scheduled Tribes.

1. Total number of Recommendations	6
2. Recommendations/Observations which have been accepted by the Government (<i>vide</i> recommendation NIL)	
Number	NIL
Percentage to total	NIL
3. Recommendations/Observations which the Committee do not desire to pursue in view of the Government replies (<i>vide</i> recommendation Sl. Nos. 4, 5 and 6)	
Number	3
Percentage to total	50%
4. Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration (<i>vide</i> recommendation Sl. Nos. 1, 2 and 3)	
Number	3
Percentage to total	50%
5. Recommendations/Observations in respect of which final replies of the Government have not been received (<i>vide</i> recommendation Sl. No. NIL)	
Number	NIL
Percentage to total	NIL

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