

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3813**  
**TO BE ANSWERED ON 19<sup>th</sup> March, 2018**

**CRITERIA TO ALLOT LPG AGENCIES**

3813. SHRI RAMDAS C. TADAS:  
SHRI VIKRAM USENDI:  
SHRI CHANDRAKANT KHAIRE:  
SHRI CHANDRA PRAKASH JOSHI:

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) the criteria fixed by the Government to allot LPG agencies, petrol pumps and CNG pumps in the country;
- (b) whether any type of reservation/ quota has been fixed for SCs/STs/OBCs/ Ex-servicemen and defence personnel in the allotment of petrol pumps, gas agencies and CNG pumps and if so, the details thereof;
- (c) whether there is any restriction on increasing the number of LPG agencies/ petrol pumps and if so, the details thereof and the steps taken to increase the number of LPG agencies and petrol pumps in the country, State/UT-wise including Maharashtra and Rajasthan;
- (d) whether the number of petrol pumps functioning in the rural areas is less as compared to the urban areas and if so, the details thereof along with any proposal to open new petrol pumps in proportion to population in the rural and urban areas of the country, State/UT-wise including Chhattisgarh;
- (e) the number of cases for opening of petrol pumps taken for consideration, scrutinised and interviews held along with the number of draws carried out and allotment of petrol pumps made during the last three years and the current year, State/UT-wise; and
- (f) whether the Government had proposed a scheme to allot retail petrol pumps to the land owners and if so, the details thereof along with the reasons for not implementing the said scheme so far?

## ANSWER

पेट्रोलियम एवं प्राकृतिक गैस मंत्री (श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) & (b) Eligibility norms and reservation in allotment of LPG distributorship and retail outlets is at Annexure-I & II respectively.

Under the Petroleum and Natural Gas Regulatory Board (PNGRB) Act, 2006, the Government has established PNGRB which is the statutory authority to grant authorization for the development of City Gas Distribution (CGD) network. Standalone CNG stations are set up by CGD companies which have their selection guidelines for setting up of CNG stations.

(c) to (e) Keeping in view the demand and consumption of motor fuels in the future, Retail Outlet network expansion including in the Rural/Urban/Tribal areas by Oil Marketing Companies (OMCs) is a regular and ongoing exercise. Locations for setting up new Retail Outlets are identified by OMCs after carrying out required feasibility study by the field. The locations found feasible and economically viable are rostered in OMCs Marketing Plan for advertisement.

State/UT-wise details of number of locations advertised, commissioned and LOI issued as on 01.01.2018, are at Annexure-III.

Appointment of LPG distributorships is a continuous process and locations for setting up of LPG distributorships are identified based on sale potential that makes them commercially viable.

As on 01.01.2018, there are 19469 LPG distributors across the country. With a view to strengthen the LPG distribution infrastructure, Oil Marketing Companies (OMCs) have recently advertised 6147 locations across the country, which are mostly in rural areas. The Government has also approved setting up of 115 Durgam Kshetriya Vitaks (DKVs) through different State Governments/Organisations, which are at various stages of commissioning.

(f) Under the current selection policy, land is an eligibility criteria and the candidates applying under any category has to offer suitable land in the application form.

**Norms/Criteria/Reservation for Selection of LPG Distributorships**

The main norms/criteria laid down in the revised guidelines, namely, Unified Guidelines for Selection of LPG Distributorships 2016, are as under :-

- i. Applicant shall be an Indian citizen and be a resident of India.
- ii. Should have passed minimum Xth standard examination or equivalent from a recognised Board. The criterion of educational qualification is not applicable for applicant belonging to Freedom Fighter (FF) category.
- iii. Applicant shall be of 21 years and not more than 60 years in age as on the date of advertisement.
- iv. There is no age restriction for applicants applying for locations reserved under FF category.
- v. Shall not be a family member of employee of Oil Marketing Company(OMC) as on date of application.
- vi. Shall fulfil Multiple Dealership/Distributorship norms.
- vii. Shall not be a signatory to distributorship/dealerships agreement, terminated on account of proven cases of malpractices/adulteration.
- viii. Shall own a plot of land of minimum dimensions for construction of LPG godown or own a ready LPG cylinder storage godown as on the last date for submission of application.

**RESERVATION**

The percentage reservation for various categories in all the States except Arunachal Pradesh, Meghalaya, Nagaland and Mizoram are as under: -

A	Open Category (O)	50.5%
B	Schedule Castes / Scheduled Tribes (SC/ST)	22.5%
C	Other Backward Classes (OBC)	27.0%

In each of the above categories, there will be sub-categories as under:-

Sub-Category	Reservation Categories (in %)			
	SC/ST	OBC	Open	Total
Government Personnel category (GP)	2	2	4	8
Divyang/ Physically Handicapped Personnel (PH)	1	1	1	3
Combined Category (CC)	0	0	1	1
Women	7	9	17	33
Unreserved - Any person from the respective category	12.5	15	27.5	55
<b>Total</b>	<b>22.5</b>	<b>27</b>	<b>50.5</b>	<b>100</b>

The reservation under respective categories will be SC/ST (GP)-2%, SC/ST (PH)-1%, SC/ST (W)-7%, SC/ST-12.5%, OBC (GP)-2%, OBC (PH)-1%, OBC (W)-9%, OBC-15%, Open (GP) - 4%, Open (PH)-1%, Open (CC)-1%, Open (W)-17%, Open-27.5%.

## Reservation for North Eastern States

Reservations in tribal areas in North Eastern States of Arunachal Pradesh, Meghalaya, Nagaland and Mizoram will be as under:

State	Percentage of reservation in all four types of LPG Distributorships to be awarded to ST category	% for Women category	Balance % to be awarded to open category
Arunachal Pradesh	49	30	21
Meghalaya	56	30	14
Nagaland	56	30	14
Mizoram	63	30	7

The detailed guidelines namely "Unified Guidelines for Selection of LPG Distributorships" is available on the website <http://www.petroleum.nic.in>

**Norms/Criteria/Reservation Policy for Dealership Selection Guidelines**

Dealer Selection by draw of lots / bidding have been implemented for opening of new Retail Outlets in rural as well as urban areas. There is neither marks-based evaluation system nor interview process for selection. The selection is carried out by a transparent system of draw of lots/Bidding. Individuals and Non- Individuals can apply. All applicants meeting the eligibility criteria qualify for the draw/bidding. As per the eligibility criteria, an applicant has to meet the minimum requirements on availability of suitable land at the advertised location, Finance, Age and Educational Qualification. However, for Corpus fund locations, Finance is not an eligibility criterion. All categories of applicants are required to have suitable piece of land in the advertised location/area either by way of ownership / long term lease.

The detailed guidelines for selection of retail outlet dealerships which have come into effect from 21-05-2014 have provision for 22.5 percent reservation for SC/STs in allotment of retail outlet dealerships. However, distribution between Scheduled Castes (SCs) and Scheduled Tribes (STs) will vary in each State depending upon the ratio of SC/ST in the State as per latest available census data.

Adhering to the broad reservation principles under the constitutional scheme 27% reservation for OBC category has been introduced. Reservation for SC/ST is 22.5% and the remaining 50.5% is for Open category. Sub categories of reservation among the Main categories i.e. SC/ST, OBC & Open categories have been introduced to take care of reservation for Defence personnel, Para Military Personnel/Central/State Govt. and Central/State PSU employees, Physically Handicapped personnel, Outstanding Sports Persons and Freedom Fighters. Able bodied Ex servicemen are also made eligible under reservation for Defence personnel to enlarge the scope for Defence category.

Reservation for various categories in all the States except Arunachal Pradesh, Meghalaya, Nagaland and Mizoram are as under :-

Category	SC/ST	OBC	Open	Total
<b><u>Combined Category 1 (CC1)</u></b>				
Comprising of :-				
(i) Defence Personnel &	2%	2%	4%	8%
(ii) Para Military Personnel/Central/State Govt. and Central/State PSU employees				
<b><u>Combined Category 2 (CC2)</u></b>				
Comprising of :-				
(i) Physically Handicapped Persons (PH)	1%	1%	2%	4%
(ii) Outstanding Sports Persons (OSP) &				
(iii) Freedom Fighters (FF)				
SC/ST	19.50%			19.50%
OBC		24%		24%
Open			44.50%	44.50%
Total	22.50%	27%	50.50%	100%

Reservations in some North Eastern States of Arunachal Pradesh, Meghalaya, Nagaland and Mizoram would continue to be as under as approved by MOP & NG earlier: -

<b>State</b>	<b>Percentage of Regular &amp; Rural RO Dealerships to be awarded to ST category</b>	<b>Balance % to be awarded to 'Open' category</b>
<b>Arunachal Pradesh</b>	70	30
<b>Meghalaya</b>	80	20
<b>Nagaland</b>	80	20
<b>Mizoram</b>	90	10

No separate reservation for Women category has been made in the New Guidelines. However, in case of individual applicants, spouse will be made a partner up to a share of maximum 50% unless the spouse is already gainfully employed and/or do not wish to be made a partner in order not to dilute the financial and social status of women.

Draw of Lots / Bidding process:

In the Draw of Lots / Bidding process, priority will be given to applicants with regard to ownership of land as mentioned below:

Group 1: Applicants having suitable piece of land in the advertised location/area either by way of ownership / long term lease including in all reserved categories.

Group 2: Applicants having Firm offer of purchase or long term lease for a piece of suitable land including in all reserved categories.

Draw of lots / Opening of Bids will be held first amongst the eligible applicants with land falling in Group 1.

Draw of lots amongst eligible applicants of Group – 2 will be held only if there is no applicant in Group 1 or applicants in Group 1 have been disqualified or withdrawn.

The entire proceedings of the draw/bidding will be video graphed in one shot.

The result of the draw will be displayed on the notice board of the venue immediately and at Company office. It will also be hosted on the website of the Company.

All of the above are common for allotment of Regular and Rural category of ROs. The Parameters which are different for Regular and Rural category of ROs are as under:

Parameter	Applicability	Regular RO	Rural RO
Non-Refundable Application Fee	All	Rs. 1000/- (SC/ST - Rs.500/-)	Rs. 100/- (SC/ST - Rs.50/-)
Advertised location	All	In any class of market i.e. Urban / Highway	Except on NH / SH
Non-refundable Minimum Bid Amount	A- Site RO (except SC/ST category locations under CFS)	Rs. 30.0 Lac {Initial Down Payment (IDP) - 1.5 Lacs}	Rs. 10.0 Lacs {Initial Down Payment (IDP) - 0.5 Lacs}
Non-Refundable Fixed Fee	B- Site RO	Rs. 15.0 Lacs	Rs. 5.0 Lacs
Refundable Security Deposit	All	Rs. 5.0 Lacs	Rs. 0.5 Lacs
Nationality / Residency criteria	All	Should be Indian Citizen and Resident of India as per Income tax rules.	Should be Indian Citizen and Resident of India as per Income tax rules. For Rural ROs the applicant has to be residing in the district of the advertised location.
Educational Qualifications	All	Minimum 10th pass (examination conducted by a Board /School) for all categories except Freedom Fighter category. Freedom fighter category will be exempted from minimum educational qualification requirement.	Minimum 10th pass (examination conducted by a Board /School) for all categories except Freedom Fighter category. Freedom fighter category will be exempted from minimum educational qualification requirement.

**Number of Retail Outlet locations advertised/commissioned/LOI issued(As per advertisement in 2014-15) as on 01.01.2018**

S.No	State/UT	No. of Locations Advertised	No. of locations commissioned	No. of locations where LOI issued
1	Andaman & Nicobar	9	0	0
2	Andhra Pradesh	1333	188	253
3	Arunachal Pradesh	47	3	16
4	Assam	330	27	75
5	Bihar	2514	146	556
6	Chandigarh	0	0	0
7	Chattisgarh	1097	106	212
8	Dadra Nagar Haveli	25	1	4
9	Daman & Diu	26	1	1
10	Delhi	33	0	3
11	Goa	96	0	3
12	Gujarat	3074	278	469
13	Haryana	1536	140	296
14	Himachal Pradesh	188	33	40
15	Jammu & Kashmir	241	14	20
16	Jharkhand	966	88	120
17	Karnataka	2219	143	423
18	Kerala	1214	76	139
19	Lakshadweep	0	0	0
20	Madhya Pradesh	2844	302	567
21	Maharashtra	3914	274	821
22	Manipur	42	2	22
23	Meghalaya	21	1	17
24	Mizoram	51	0	11
25	Nagaland	39	0	4
26	Odisha	1088	110	147
27	Puducherry	38	1	3
28	Punjab	1207	95	152
29	Rajasthan	2485	284	574
30	Sikkim	58	5	8
31	Tamil Nadu	2736	286	440
32	Telangana	1076	211	357
33	Tripura	39	2	3
34	Uttar Pradesh	3899	451	960
35	Uttarakhand	351	41	57
36	West Bengal	1792	109	137
	<b>ALL-INDIA</b>	<b>36628</b>	<b>3418</b>	<b>6910</b>