

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 1441
TO BE ANSWERED ON 12th MARCH, 2025

Primary Agricultural Credit Societies (PACS) plan for sale of Petroleum Products

1441 Shri Narhari Amin:
Shri Madan Rathore:
Shri Arun Singh:
Dr. Medha Vishram Kulkarni:
Dr. Bhim Singh:
Shri Iranna Kadadi:
Shri Mayankbhai Jaydevbhai Nayak:
Smt. Kiran Choudhry:

Will the Minister of COOPERATION be pleased to state:

- (a) the measures being taken to expedite the processing of PACS applications for petrol/diesel outlets and LPG distributorships;
- (b) whether there are any provisions to relax the criteria for PACS in rural and economically weaker regions to encourage participation;
- (c) the steps being taken to ensure PACS to set up and run fuel stations that have access to the necessary infrastructure, including land and storage facilities; and
- (d) how allowing PACS to operate petrol/diesel outlets and LPG distributorships will benefit farmers and rural communities?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) and (b): Yes, Sir. The Government has allowed Primary Agricultural Credit Societies (PACS) to operate Retail Petrol/ Diesel outlets and LPG Distributorships. In order to prioritize PACS under Combined Category 2 (CC-2) for retail Petrol/ Diesel dealership and Combined Category (CC) for LPG Distributorship under which 1% reservation is provided, Ministry of Petroleum and Natural Gas has revised its guidelines. Further, PACS have also been given one-time option to convert their wholesale consumer pumps into Retail Outlets for which Ministry of Petroleum and Natural Gas has released detailed guidelines.

PACS can apply online against the advertisements issued by Oil Marketing Companies (OMCs) for Retail Petrol/ Diesel outlets and LPG Distributorships, which simplifies the application process. In order to expedite the application process regular review meetings are held with States/ UTs and OMCs to ensure completion of the entire process.

(c): The eligibility criteria outlined in the guidelines mandate PACS to submit documents related to registration, land availability, and financial status for operating Retail Petrol/Diesel Outlets and LPG Distributorships. Accordingly, PACS that meet these criteria are considered for selection by the Oil Marketing Companies (OMCs).

(d): Allowing PACS to operate Petrol/Diesel Outlets and LPG Distribution Agencies brings multiple benefits to farmers and rural communities. This initiative aims to enhance fuel accessibility in remote areas, ensuring timely availability of fuel for agricultural machinery, thereby reducing operational delays and costs for farmers. LPG distributorships operated by PACS aims to provide affordable and easily accessible cooking gas to rural households, improving living standards. Additionally, these businesses seek to create new revenue streams for PACS, making them financially self-sustaining while generating employment opportunities in rural areas. This initiative is a major step toward rural economic development, strengthening the role of cooperatives in enhancing rural livelihoods and infrastructure.
