

LOK SABHA

UNSTARRED QUESTION NO. 2851

TO BE ANSWERED ON 20th MARCH 2017

CRITERIA/RESERVATION POLICY FOR RO/GAS AGENCIES/CNG PUMPS

2851. SHRI RAJESHBHAI CHUDASAMA:

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) the norms/criteria laid down by the Government for allotment of LPG agencies, petrol pumps and CNG pumps in the country;
- (b) whether any kind of reservation/ quota for the persons belonging to Scheduled Castes (SCs)/Scheduled Tribes (STs)/Other Backward Classes/Ex-servicemen/ Defence Personnel has been prescribed in allotment of petrol pumps/ gas agencies/CNG pumps and if so, the details thereof;
- (c) whether there are some restrictions for oil companies to increase LPG agencies/ petrol pumps; and
- (d) if so, the details thereof along with the steps taken to increase the number of petrol pumps and LPG agencies in the country, State/UT/Oil Marketing Companies-wise?

ANSWER

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार) (श्री धर्मेन्द्र प्रधान)

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) & (b)

With regard to LPG

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 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 in allotment of LPG distributorship is at **Annexure-I**.

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

With regard to Retail Outlet

The main features of norms and criteria prescribed for allotment of Petrol Pumps operated by Public Sector Oil Marketing Companies (OMCs) in the country are given in **Annexure-II**. The detailed guidelines in this regard are available on the respective websites of the OMCs.

With regard to CNG Pumps

Compressed Natural Gas (CNG) is marketed by City Gas Distribution (CGD) companies either through existing retail outlets offered by Oil Marketing Companies (OMCs) or through standalone CNG stations. Based on Expression of Interest (EOI) received and the potential of Geographical Area (GA) identified by Petroleum and Natural Gas Regulatory Board (PNGRB), PNGRB invites bids, evaluates them and awards authorization to an entity for laying, building and operating of CGD network in such GA. As and when such CGD entity approaches OMCs for setting up of CNG facilities, Retail Outlets (ROs) of OMCs are offered considering the availability of sufficient space at the outlet as per norms of Petroleum and Explosives Safety Organisation (PESO) and potential CNG demand in the area. Standalone CNG stations are set up only by City Gas Distribution (CGD) companies who have their own selection guidelines for setting up CNG stations.

(c) & (d) There is no restriction for Oil Companies to increase LPG agencies/Retail Outlets

Setting of LPG distributorships/Retail Outlets is a continuous process and locations are identified based on feasibility study of sale potential that makes them economically viable.

OMCs have advertised for 1531 locations in the States of Uttar Pradesh, Odisha, Uttarakhand and Punjab. 56 new distributorships under Durgam Kshetriya Vitrak (DKV) category have been sanctioned to Chhattisgarh and Andhra Pradesh Government on nomination basis. As on 14.03.2017, 1142 Letter of Intent (LOI) has been given to selected applicants and 741 new distributorships have been commissioned in the current financial year

Annexure-I

Annexure referred to in reply to part (a) & (b) of LOK Sabha Unstarred Question No. 2851 by Shri Rajeshbhai Chudasama regarding 'Criteria/Reservation Policy for RO/Gas Agencies/CNG Pumps'

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
Total	22.5	27	50.5	100

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

Annexure referred to in reply to part (a) & (b) of LOK Sabha Unstarred Question No. 2851 by Shri Rajeshbhai Chudasama regarding 'Criteria/Reservation Policy for RO/Gas Agencies/CNG Pumps'**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
<u>Combined Category 1 (CC1)</u> Comprising of :- (i) Defence Personnel & (ii) Para Military Personnel/Central/State Govt. and Central/State PSU employees	2%	2%	4%	8%
<u>Combined Category 2 (CC2)</u> Comprising of :- (i) Physically Handicapped Persons (PH) (ii) Outstanding Sports Persons (OSP) & (iii) Freedom Fighters (FF)	1%	1%	2%	4%

SC/ST	19.50%			19.50%
OBC		24%		24%
Open			44.50%	44.50%
Total	22.50%	27%	50.50%	100%

-: 2 :-

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: -

State	Percentage of Regular & Rural RO Dealerships to be awarded to ST category	Balance % to be awarded to 'Open' category
Arunachal Pradesh	70	30
Meghalaya	80	20
Nagaland	80	20
Mizoram	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	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.

