

**LOK SABHA  
UNSTARRED QUESTION NO. 2854  
TO BE ANSWERED ON 20<sup>TH</sup> MARCH, 2017**

**HOLIDAY SCHEME FOR RO**

**2854. ADV. NARENDRA KESHAV SAWAIKAR :**

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) whether the Government proposes a Holiday Scheme for under performing State-run Retail Outlets and if so, the details thereof; and
- (b) whether the interest of original owners of these Retail Outlets have been taken into consideration before implementing the scheme and if so, the details thereof?

**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) – Based on the proposal received from Oil Marketing Companies (OMCs), the Ministry of Petroleum and Natural Gas has approved “Holiday Scheme” for retail outlet dealers. The salient features of the Holiday Scheme are provided in **Annexure-I**.

While formulating the scheme, interests of all stake holders including motoring public, dealers and OMCs have been kept in mind.

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## ANNEXURE – I

### Annexure referred to in reply to part (a) of Lok Sabha unstarred Question No. 2854 asked by Adv. Narendra Keshav Sawaikar, Hon`ble MP regarding Holiday Scheme for RO'.

The salient features of the Holiday Scheme are as under:-

1. Whenever a Retail Outlet remains closed/low selling due to various reasons such as temporary financial problems of the dealer, dispute among family members/partners after the death of proprietor/partner(s), etc., the dealership may be taken over and sales be restored by appointing an Ad-hoc dealer, as per the extant policy. This will provide reasonable time to the concerned dealer to overcome/resolve the issues to resume dealership operation. The dealership shall be put on “Holiday” and shall be given specific time bound target for working on the plans which should result into normal operation of the RO by him/her, on mutually agreed terms.
2. In case of “A” site/ CC site RO, the site is already in the name/possession of the OMCs as a leased site/outright purchase and the site can be straight away taken over in the event of Dealer availing the Holiday scheme. However no compensation shall be payable to the dealer based on Sales Volume.
3. In case of “B” site / “DC” site RO, negotiation can be done with the dealer /landowner to provide lease of the RO premises as is done for any site being taken on lease / leave and license by Corporation only with the exception that the lease / leave and license can be short term depending upon the period for which the RO is being handed over to OMC. However no compensation shall be payable to the dealer based on Sales Volume.
4. A Statement of Account of the dealership shall be prepared by the OMCs and any outstanding amount shall be recovered from the dealership / Security Deposit available with OMCs. The existing dealer shall be explained the reasons for Holiday in writing and the proposed action plan with timelines for restoring / proposed handing over the RO to the dealer upon overcoming of the financial problems / dispute.

5. The Ad-hoc dealer shall be appointed as per prevailing guidelines with the exception that the tenure of ad-hoc dealership shall be upto 2 years i.e. in line with the tenure of Holiday extended to the closed RO/low selling RO dealer. However, it can be extended further, in case the dealer on Holiday resigns or does not come forward to take over after holiday period by 4 months or till such time the RO is divested, whichever is earlier.
6. In case the original dealer or the Legal heirs/Partner(s) of “B” (DC sites) do not resolve the issues and do not take up the management/operation of the RO dealership after completion of the Holiday period, OMCs may look into their commercial interest and extend the holiday scheme by exploring the option of long lease. However, a new adhoc dealer shall be appointed after every 2 years as per prevailing ad-hoc dealership selection policy.
7. The dealer on Holiday shall be allowed reconstitution of the dealership as per the prevailing guidelines at the time of taking back the dealership.
8. The RO will be restored to the Original or to the Reconstituted (wherever applicable) dealer at the end of the Holiday time period.
9. The period for a dealer to be put on/avail the Holiday scheme shall be up to 2 years, unless extended as mentioned above. However, the dealer shall have the option to seek restoration of the RO before 2 years with an undertaking that after restoration the RO shall sell to the potential/target set by the OMC.
10. This opportunity under “Holiday” Scheme would be available to the dealers only once.

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