

**COMMITTEE ON THE WELFARE OF  
SCHEDULED CASTES AND  
SCHEDULED TRIBES  
(2023-2024)**

**(SEVENTEENTH LOK SABHA)  
TWENTY EIGHTH REPORT**

**ON**

**MINISTRY OF PETROLEUM AND NATURAL GAS**

**Action taken by the Government on the recommendations contained in the Twentieth Report (17<sup>th</sup>Lok Sabha) of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes on the Subject- “Reservation for Scheduled Castes and Scheduled Tribes in Public Sector Oil Companies and Status of allotment of Petrol and Gas agencies (CNG, PNG, LPG etc) and other related Agencies/Units to Schedule Castes and Scheduled Tribes”.**

*Presented to Lok Sabha on*                      **01.08.2023**

*Laid in Rajya Sabha on*                      **01.08.2023**



**LOK SABHA SECRETARIAT  
NEW DELHI**

1 August 2023/ 10 Sravana 1945 (Saka)

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**COMPOSITION OF THE COMMITTEE ON THE WELFARE OF SCHEDULED CASTES AND SCHEDULED TRIBES (2023-24)**

**Dr. (Prof.) Kirit Premjibhai Solanki - Chairperson**

**MEMBERS - LOK SABHA**

2. Shri Girish Chandra
3. Shri Guman Singh Damor
4. Shri Anil Firojiya
5. Shri Tapir Gao
6. Smt. Goddeti Madhavi
7. Smt. Pratima Mondal
8. Shri Ashok Mahadeorao Nete
9. Shri Vincent H. Pala
10. Shri Chhedi Paswan
11. Shri Prince Raj
12. Shri A. Raja
13. Shri Upendra Singh Rawat
14. Smt. Sandhya Ray
15. Shri Mohammad Sadique
16. Shri Jagannath Sarkar
17. Shri Ajay Tamta
18. Shri Rebati Tripura
19. Shri Krupal BalajiTumane
20. Vacant \*

**MEMBERS - RAJYA SABHA**

21. Shri Abir Ranjan Biswas
22. Shri Anthiyur P. Selvarasu
23. Dr. V. Sivadasan
24. Smt. Phulo Devi Netam
25. Smt. Kanta Kardam
26. Dr. Sumer Singh Solanki
27. Shri Nabam Rebia
28. Shri Kamakhya Prasad Tasa
29. Shri Samir Oraon
30. Shri Niranjana Bishi

**SECRETARIAT**

- |    |                           |   |                     |
|----|---------------------------|---|---------------------|
| 1. | Shri D.R. Shekhar         | - | Joint Secretary     |
| 2. | Shri R.L. Yadav           | - | Director            |
| 3. | Shri Kulmohan Singh Arora | - | Additional Director |
| 4. | Ms. Pooja Kirthwal        | - | Committee Officer   |

\* Shri Rattan Lal Kataria, M.P. expired on 18.05.2023.

## INTRODUCTION

I, the Chairperson, Committee on the Welfare of Scheduled Castes and Scheduled Tribes having been authorised by the Committee to finalise and submit the Report on their behalf, present this Twenty Eighth Report (Seventeenth Lok Sabha) on Action Taken by the Government on the recommendations/observations contained in the Twentieth Report (Seventeenth Lok Sabha) on the subject "Reservation for Scheduled Castes and Scheduled Tribes in Public Sector Oil Companies and Status of allotment of Petrol and Gas agencies (CNG, PNG, LPG etc) and other related Agencies/Units to Schedule Castes and Scheduled Tribes" pertaining to the Ministry of Petroleum and Natural Gas.

2. The draft Report was considered and adopted by the Committee at their sitting held on 28.07.2023 (Appendix-I).
3. The Report has been divided into the following chapters:-
  - I Report
  - II Recommendations/Observations which have been accepted by the Government.
  - III Recommendations/Observations which the Committee do not desire to pursue in view of replies of the Government.
  - IV Recommendations /Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration.
  - V Recommendations / Observations in respect of which final replies of the Government have not been received.
4. An analysis of the Action Taken by the Government on the recommendations contained in the Twentieth Report (Seventeenth Lok Sabha) of the Committee is given in Appendix-II.

**New Delhi;**  
**1 August, 2023**  
**10 Sravana, 1945(Saka)**

**DR. KIRIT P. SOLANKI**  
**Chairperson**  
**Committee on the Welfare of**  
**Scheduled Castes and**  
**Scheduled Tribes.**

## CHAPTER – I

### REPORT

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 Twentieth Report (Seventeenth Lok Sabha) on “Reservation for Scheduled Castes and Scheduled Tribes in Public Sector Oil Companies and Status of allotment of Petrol and Gas agencies (CNG, PNG, LPG etc) and other related Agencies/Units to Schedule Castes and Scheduled Tribes”.

1.2 Twentieth Report was presented to Lok Sabha and laid in Rajya Sabha on 20<sup>th</sup> December, 2022. It contained 13 recommendations/observations. Replies of the Government in respect of all these recommendations/observations have been examined and are categorised as under:-

(i) Recommendations/Observations which have been accepted by the Government (Sl. Nos. 2, 3, 4, 10 & 12).	<b>Total – 05</b> <b>Percentage – 39%</b>
(ii) Recommendations/Observations which the Committee do not desire to pursue in the light of the replies received from the Government (Sl. Nos. 5 & 8).	<b>Total - 02</b> <b>Percentage – 15%</b>
(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration (Sl. Nos. 1, 6, 7, 9, 11 & 13).	<b>Total - 06</b> <b>Percentage – 46%</b>
(iv) Recommendations/Observations in respect of which final replies of the Government have not been received (Sl. Nos. Nil).	<b>Total - Nil</b> <b>Percentage - 0</b>

**1.3 The Committee trust that utmost importance would be given to implementation of the recommendations/observations accepted by the Government. In cases, where it is not possible for the Department to implement the recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons therefor. The Committee further desire that Action Taken Notes on the recommendations/observations contained in Chapter-I should be furnished to them at an early date.**

1.4 The Committee will now deal with the Action Taken by the Government on those recommendations which need reiteration or comments.

### **Recommendation No. 1**

1.5 The Committee had recommended as under:

“The Committee are of understanding that rarely there is a member of Scheduled Castes and Scheduled Tribes community included in Board of Directors of OMCs. The Committee would like to be apprised about the number of Scheduled Castes and Scheduled Tribes candidates who have been appointed in the Board of Directors as official or non official directors during the past five years. The Committee would like to emphasize that inclusion of members of SC/ST community in the Board of Directors is pertinent as they bring forth the views of SC/ST employees of the organization. The Committee are of considered opinion that a representative of SC/ST community is better attuned to the trials and tribulations of SC/ST employees and thus their position in the Board of Directors is bound to work in the interest of SC/ST employees. The Committee also feels that due weightage and necessary relaxation be extended to SC/ST candidates while considering them for a position in the Board of Directors. This would not only provide an opportunity to representative of Scheduled Castes and Scheduled Tribes to be a part of policy/decision making process but also act as platform to enhance the prospects of other SC/ST employees working in the organization. The Committee would also like to recommend that Ministry should also take initiative and propose amendment in the existing rules/regulations to facilitate appointment of Scheduled Castes and Scheduled Tribes in Board of Directors.”

### **Reply of Government /Oil Companies**

1.6 In this regard, The Ministry have submitted the following reply:

“Appointment to the Board of Directors are made on the recommendation of Public Enterprises Selection Board (PESB) on the basis of applications received in response to a public advertisement for the purpose.”

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

## **Comments of the Committee**

### **Appointment to Board of Directors**

**1.7 The Committee had categorically recommended that the Ministry should also take initiative and propose amendment in the existing rules/regulations to facilitate appointment of SCs/STS to the Board of Directors. In reply, the Ministry have informed that appointments to the Board of Directors are made on the recommendations of PESB on the basis of applications received in response to a public advertisement for the purpose. In the opinion of the Committee, the OMCs should not escape themselves from the liabilities of suggesting candidates of Scheduled Castes and Scheduled Tribes for considering by the PESB for appointment to the Board of Directors. The Committee are of firm opinion that though the PESB recommends the candidates for appointment to the Board of Directors, yet the OMCs should not abstain themselves in recommending the names of these category candidates to the PESB for their selection to the Board of Directors. The Committee, therefore, reiterate their earlier recommendation. They also desire Ministry to furnish a status report involving the period of last five years where the candidates of SC/ST were recommended by the PESB to the Board of Directors.**

### **Recommendation No. 6**

**1.8 The Committee had recommended as under:**

“The Committee are flabbergasted to note that Ministry in its written replies has been quite evasive regarding as to how the current guidelines were formulated and its approval process. Even the top officials while rendering evidence before the Committee were clueless and incoherent in their submission in the matter. No clarity has been offered about whether the policy was ratified at the Board/Ministerial level. The Committee would like to place on record that by giving full autonomy to OMCs in the matter, the Ministry has itself reduced its stature to that of a mere rubber stamp. The current guidelines clearly favour OMCs whereby they are absolved from hunting suitable locations for inception of petrol pumps and gas agencies. This is the precise reason why the Ministry in its reply has deemed reverting back to the previous policy

which clearly favoured Scheduled Castes and Scheduled Tribes candidates as a 'retrograde' step. The Committee are unable to comprehend as to why the Ministry is dithering regarding restoration of old policy. The Committee have been informed that in 2014 Retail Outlet selection guidelines have been drawn on the basis of board guidelines approved by Ministry of Petroleum and Natural Gas vide letters dated 20.07.2012 and 17.02.2014. The Committee may be provided a copy of aforementioned letters/communications. The Committee would further like to point out that since OMCs are commercial ventures whose main objective is to make profit but at the same time Oil Companies being a Public Sector, the interest of SCs/STs should not be left solely on the Board of OMCs, as to safeguard the interest of SCs/STs is the mandatory duty of the Ministry concerned. The Committee would like to impress that before the guidelines/policy are prepared and approved by the Board of OMCs/Ministry, such a vital issue should also be duly referred to Parliamentary Committee before the same are implemented by the OMCs. The Committee also recommends that the guidelines for the selection of Dealerships/Distributorships of petroleum products/major policy issues framed and implemented by the OMCs should firstly be vetted and approved by the Ministry before these are implemented by the OMCs to safeguard the interest of SCs/STs with utmost sincerity and responsibility."

### **Reply of Government/Oil Companies**

1.9 In this regard, the Ministry have submitted the following reply:

"MOP&NG vide letter No. P-30024/33/2012-MC dated 17.02.2014 approved the Retail Outlet Dealer Section Guidelines (DSG) which were implemented by Public Sector Oil Marketing Companies (OMCs) on 21.05.2014.

Further, in line with the Government's motto of ease of doing business and transparency, Public Sector OMCs implemented Dealer Selection Guidelines 2018 based on their Marketing Plan and business viability.

Further, the process of application and allotment of retail outlets have been simplified and made more transparent by Public Sector OMCs. The salient features of the simplified process are as below:-

- i. User friendly on-line application only and processing.

- ii. <http://www.petrolpumpdealerchayan.in> is a common platform for applying online to Public Sector OMCs.
- iii. Self-certification/declaration of the eligibility criteria by applicants and scrutiny only after selection.
- iv. All applicants meeting the eligibility criteria on nationality, age education and provision of suitable land will qualify for further selection process.
- v. Transparent process of selection through on line computerized draw of lot/bid opening. Marks based evaluation system and interview are not part of the present selection process.
- vi. Candidate to produce the documents after selection.
- vii. Residence certificate for Rural ROs done away with.
- viii. Communication with applicants through SMS/email registered by the applicants. All communication to the candidate online through emails.
- ix. Payment of application fee, initial security deposit for processing of application is through online payment mode only.
- x. All applicants can see the Status of selection on the web portal.
- xi. A well-defined grievance redressal system in place.

Procedure/Norms for allotment of Retail Outlet Dealerships in the country are available on the website [www.petrolpumpdealerchayan.in](http://www.petrolpumpdealerchayan.in)

With respect of LPG the current distributor selection guidelines are “Unified Guidelines for Selection of LPG Distributorship, 2016”. The Ministry of Petroleum & Natural Gas vide letter P-20019/2/2016-LPG dated 23/06/2016 conveyed approval of “ Unified Guidelines for Selection of LPG Distributorship, 2016 ”. Further, in line with the Government’s motto of ease of doing business and transparency, the process of applying for LPG distributorship has been greatly simplified and a transparent online selection process is in place. All applicants are required to submit their application on web-based portal <https://www.lpgvitarakchayan.in>. The online selection process includes, online receipt of application, processing and online draw of lots etc. Online draw of lots is conducted by M/s Metal Scrap Trade Corporation Ltd.(MSTC), a Central Public Sector Undertaking, with assistance of National Informatics Centre(NIC).

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. Applicant 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 should be not less than 21 years and not more than 60 years in age as on the date of advertisement. There is no age restriction for applicants applying for locations reserved under FF category.
- iv. Applicant shall not be a family member of employee of Oil Marketing Company(OMC) as on date of application.
- v. Applicant shall fulfil Multiple Dealership/Distributorship norms.
- vi. Applicant shall not be a signatory to distributorship/dealerships agreement, terminated on account of proven cases of malpractices/adulteration.
- vii. Applicant 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.”

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

### **Comments of the Committee**

#### **Vetting of OMC Guidelines**

**1.20 The Ministry of Petroleum and Natural Gas in their action taken replies have informed that the Retail Outlet Dealer Section Guidelines (DSG) were approved *vide* MOP&NG letter No. P-30024/33/2012-MC dated 17.02.2014 and thereafter implemented by Public Sector Oil Marketing Companies (OMCs) w.e.f 21.05.2014. Though the Committee had desired to have a copy of the said communication, but the Ministry could not furnish the same while furnishing their action taken replies. Besides the action taken reply is silent as to how the said guidelines are safeguarding the interests of SCs/STs in respect of selection of dealerships/distributionship of petroleum products. The Committee while reiterating their recommendation emphasize the Ministry to get the guidelines vetted and**

**approved by the Ministry before these are implemented by the OMCs to safeguard the interests of SCs/STs with utmost sincerity and responsibility. They also desire the Ministry to furnish a copy of aforementioned letter/communication to them within three months of presentation of this Report to the Parliament.**

### **Recommendation No. 7**

1.21 The Committee had recommended as under:

“The Committee feel that Ministry and OMCs are in cahoots in the matter and do not want to put in sincere efforts in scouting suitable lands for setting up petrol pumps and gas agencies. The Committee would like to categorically point out that being pioneering OMCs of India, BPCL, HPCL and IOCL should not shirk away from the responsibility of identifying and acquiring land for setting up of petrol pumps for the allottees belonging to SC/ST communities who are socially and economically backward since a considerable period of time. In fact, OMCs should be the one selecting such locations on the basis of market survey, revenue generation and turnover statistics and purchasing them as well. Placing the burden of land selection and acquiring on Scheduled Castes and Scheduled Tribes candidates would not be a profitable scenario in case the petrol pumps and gas agencies shut down due to lack of aforementioned skill set in novice SC/ST dealers. The Committee unanimously recommend that in case the guidelines cannot be reverted back as a whole to previous one at least the clause pertaining to offering suitable land at advertised location be done away with at least in the case of SC/ST candidates so that genuine and needy candidates of these communities can apply for ownership of Petrol pumps and gas agencies. Further, it is recommended that Ministry may also explore the possibility of providing land to the applicants on lease basis for setting up retail outlets. The Committee would like to call attention of Ministry to the fact that arranging suitable lands for RO Dealerships/LPG Distributorships for SCs/STs is foremost so that various concessions/relaxations and financial support provided to them can have real meaning.”

### **Reply of Government /Oil Companies**

1.22 In this regard, the Ministry have submitted the following reply:

“Public Sector OMCs have made several efforts to procure suitable land for SC/ST Letter of Intent (LOI) holders through multiple public advertisements and also through requests by MOPNG and OMCs to various State Governments to provide suitable Government land but have not yielded desired results.

The changes in 2014 guidelines merely envisaged that SC/ST applicants should identify and offer suitable land. The guidelines do not stipulate that land should compulsorily be purchased or obtained on lease by SC/ST applicants but could also apply with land identified by them on firm offer/commitment basis from 2014 onwards. These identified lands are acquired by Public Sector OMCs directly from the landowner at mutually agreed terms and conditions. Infrastructure/ facilities are developed and provided at Public Sector OMCs cost on such lands. Therefore, there is no change in the obligations on the part of the Public Sector OMCs as far as procurement of land and providing infrastructure to SC/ST applicants, at the cost of Public Sector OMCs.

With respect of LPG as per Unified Guidelines for Selection of LPG, 2016, the applicant should be having land for godown and showroom in the name of one of the family members of applicant or on registered lease. Selection for LPG Distributorship is made by inviting applications through Advertisement/ notification under appropriate category in newspapers. The details of the locations advertised are made available at the portal <https://www.lpgvitarakchayan.in>. State-wise reservation rosters are prepared for location advertised for commissioning of LPG distributorships.

Corpus Fund Scheme has been replaced by a bank mediated financial assistance scheme to SC/ST LOI holders. OMCs assist the selected candidates under SC/ST category in getting financial assistance through this scheme. OMCs have informed that they are not in a position to acquire land in advance till rostering of the locations are completed. This is bound to delay the process of advertisement and further selection under SC/ST Category. Further, OMCs assist the selected candidates of SC/ST category in getting financial assistance from Bank. OMCs have mentioned that all facilities, assistance etc are closely monitored.”

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

## **Comments of the Committee**

### **Procurement of Land**

**1.23 The Committee are perplexed to note the reply of the Ministry/OMCs regarding the procurement of lands for setting up of petrol pumps. The contention of the Ministry that the Public sector OMCs have made several efforts to procure suitable land for SC/ST Letter of Intent (LOI) holders through multiple public advertisements and also through requests by MOPNG and OMCs to various State Governments to provide suitable Government land but have not yielded desired results, is not acceptable to the Committee. It indirectly indicates that the onus of the same is being entrusted to the applicants. The Committee have been given to understand that the guidelines do not stipulate that land should compulsorily be purchased or obtained on lease by SC/ST applicants and that they can apply with land identified by them on firm offer/commitment basis from 2014 onwards. They desire that the matter regarding the cost of acquiring the land should be elucidated in clear terms whether or not it is being borne by the Public Sector OMCs. The Committee would also like to be apprised of the details of the terms and conditions for acquiring the identified land by OMCs from landowners. Though, the OMCs assist the selected candidates of SC/ST category in getting financial assistance from Bank under close monitoring; yet the Committee desire that they should cover the financial costs for the purchase of land from landowners.**

### **Recommendation No. 9**

1.24 The Committee had recommended as under:

“The Committee are aghast to note that the Ministry on one hand have stated that efforts of OMCs to procure suitable land for SC/ST LOI holders through multiple public advertisement and also requests to various State Government to provide suitable government land has not yielded desired results and on the other hand materialize guidelines which place the onus of acquiring the land onto SC/ST individuals which is an implausible proposition. The Committee are perplexed to note that if the task of seeking land by OMCs in Collaboration with State Government is a formidable task then how is it expected that a person belonging to SC/ST community with no financial support and no insight on the matter would be able to

achieve such far-fetched goals. The current guidelines clearly do not allow the benefits to the grass root level SC/ST people. The Committee are baffled at the double standards of the Ministry and OMCs in this regard. Inclusion of such clause is an open opportunity to deprive poor SC/ST individuals from benefits who have a combined stake of 22.5% in the ownership of petrol pumps. The Committee are of concerted opinion that the rising number of SC/ST dealership being registered in the name of SC/ST dealership/ownership is a blatant manifestation of the same wherein the petrol pumps are registered in the name of SC/ST only in paper but are being run by others who provide land to these SC/ST applicants to gain dealership and in lieu pay a meager amount to these gullible SC/ST people. It is clear that the post 2014 guidelines has provided the opportunity to the Ministry and OMCs to pass the buck on to the SC/ST applicants whereby no financial assistance is being offered for obtaining suitable land be it at rural or urban location. The Committee are dismayed at the insouciant stance of the Ministry in the matter. The Committee would like to express its displeasure at the nonchalant attitude of the Ministry in the matter whereby SC/ST individuals have been left to fend on their own. The Committee would like that Ministry in consultation with OMCs should strategically devise ways in which SC/ST applicants can be provided financial aid via corpus fund for acquiring land as well.”

### **Reply of Government /Oil Companies**

1.25 In this regard, the Ministry have submitted the following reply:

“The guidelines do not stipulate that land should compulsorily be purchased or obtained on lease by SC/ST applicants but could also apply with land identified by them on firm offer/ commitment basis. These identified lands are acquired by Public Sector OMCs directly from the landowner at mutually agreed terms and conditions. View above there is no requirement of applicant to invest for land at application stage.

Financial assistance towards working capital loan to SC/ST category dealerships under Corpus Fund scheme is given by Public Sector OMCs on award of retail outlet dealership and after the execution of dealership agreement with Public Sector OMC for operation of Dealership.”

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

### **Comments of the Committee**

#### **Land cost**

**1.26 Given the fact that there is no requirement of applicants to invest for land at the application stage but could also apply with land identified by them on firm offer/ commitment basis, the investment on part of the applicant for purchase of the land would eventually be inevitable. In opinion of the Committee, it is a catch 22 situation since shelling out money for purchase of land by the SC/ST applicants when most of them do not have strong financial background would be an uphill task. The Committee while reiterating their earlier recommendation would like to suggest the Ministry to vest the entire onus of identifying, acquiring and covering the cost of the land for setting up of petrol pump on the Public Sector Oil Marketing Companies. This would go a long way in enabling the SC/ST applicants particularly of humble background to acquire petrol pump dealership in easy way.**

#### **Recommendation No. 11**

1.27 The Committee had recommended as under:

“The Committee notes that most of SC/ST dealers avail Corpus Fund facilities provided by the OMCs for setting up RO dealerships. The Committee are of the view that for many SCs and STs to own a retail outlet dealership is a mammoth project which attracts astronomical investments for setting up. Therefore, many of the SCs and STs, barring few educated ones, are not inclined to apply for dealerships/distributorships thinking that they would not be able to run the dealerships/distributorships. The Committee opines that many SCs and STs are still oblivious of the fact that a Corpus Fund Scheme and other assistance are provided by the OMCs to set up dealerships/distributorships. The Committee, therefore, recommend that to gain attention of deserving educated unemployed SC/ST candidates to apply for dealerships/distributorships, the various assistance, facilities, concessions and especially the Corpus Fund Scheme should be clearly highlighted in the advertisements. The Committee also recommend that the OMCs should underline in the said advertisement that SC/ST applicants will be provided all

assistance under the Corpus Fund Scheme, if selected, for dealerships/distributorships.”

### **Reply of Government /Oil Companies**

1.28 In this regard, the Ministry have submitted the following reply:

“With respect to Retail Outlets, currently, advertisements are being released by OMCs in capsule form in newspapers and the Dealer Selection Brochure is uploaded in the OMC web sites. The Dealer Selection Brochure of OMCs contains comprehensive information on selection process including the provisions of Corpus fund assistance scheme for locations reserved for SC/ST.

With respect of LPG as per Unified Guidelines for Selection of LPG, 2016, the applicant should be having land for godown and showroom in the name of one of the family members of applicant or on registered lease. Selection for LPG Distributorship is made by inviting applications through Advertisement/ notification under appropriate category in newspapers. The details of the locations advertised are made available at the portal <https://www.lpgvitarakchayan.in>. State-wise reservation rosters are prepared for location advertised for commissioning of LPG distributorships.

Corpus Fund Scheme has been replaced by a bank mediated financial assistance scheme to SC/ST LOI holders. OMCs assist the selected candidates under SC/ST category in getting financial assistance through this scheme. OMCs have informed that they are not in a position to acquire land in advance till rostering of the locations are completed. This is bound to delay the process of advertisement and further selection under SC/ST Category. Further, OMCs assist the selected candidates of SC/ST category in getting financial assistance from Bank. OMCs have mentioned that all facilities, assistance etc are closely monitored.”

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

### **Comments of the Committee**

#### **Financial Assistance**

**1.29 The Committee note that Corpus Fund Scheme has been replaced by a bank mediated financial assistance scheme to SC/ST LOI holders. The OMCs assist the**

selected candidates under SC/ST category in getting financial assistance through this scheme. The Committee do not understand the rationale behind replacement of Corpus fund scheme with a bank mediated assistance scheme. They would like to be apprised of the salient features of both the schemes and differences between them with proper justification behind such replacement. The Committee would like to recommend that a study be carried out regarding the efficacy of both the schemes to determine as to which scheme caters best to the need of the applicants for setting up of petrol pumps. The Committee may be apprised of the findings thereof within three months of presentation of this report to the Parliament.

### **Recommendation No. 13**

1.30 The Committee had recommended as under:

“The Committee have been informed that as per the new guidelines the concept of interest free refundable security deposit has been introduced whereby the Scheduled Castes and Scheduled Tribes applicants needs to shell out Rs. 2 lakh and Rs. 3 lakh while applying for dealership of Rural RO and Regular RO respectively. The Committee feels that such high security fee would prove deterrent for Scheduled Castes and Scheduled Tribes applicants hailing from low income group and would further dissuade them for venturing into the application process for Petrol Pumps. It is therefore recommended that the Ministry should make earnest efforts to do way with the security fee for SC/ST applicants applying for rural RO and regular RO or reducing it to Rs. 50,000/- and Rs. 1 lakh respectively.”

### **Reply of Government /Oil Companies**

1.31 In this regard, the Ministry have submitted the following reply:

“Interest free refundable security deposit for SC/ST applicants was modified by Public Sector OMCs in 2018 for retail outlet dealerships, as under:-

<b>Category</b>	<b>Regular RO</b>	<b>Rural RO</b>
SC/ST	Rs. 3 lakhs	Rs. 2 lakhs
OBC	Rs. 4 lakhs	Rs. 3 lakhs
Open	Rs. 5 lakhs	Rs. 4 lakhs

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

**Comments of the Committee**

**Security free**

**1.32 The Committee had recommended that the Ministry should make earnest efforts to do away with the security fee for SC/ST applicants applying for rural RO and regular RO or reducing it to Rs. 50000/- and Rs. 1 lakh respectively. They are not satisfied with the reply of the Ministry. The Committee, therefore, reiterate their earnest recommendation and would like to be appraised of the action taken in this regard. The Committee are of considered opinion that keeping an elevated security fee would hamper the chances of SC/ST applicants vying for petrol pump dealerships which would defeat the purpose of offering mandated reservation to SCs/STs under the scheme. The Committee therefore reiterate their earlier recommendation and would like to be apprised of the action taken in this regard.**

## CHAPTER – II

### RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### Recommendation No. 2

2.1 The Committee had recommended as under:

“The Committee would like to invite the attention of Ministry towards DOPT OM No.36012/16/2019-Esttt. (Res.) dated 12.04.2022 which inter alia stipulates reservation in promotions in higher posts. The Committee would like to recommend that Ministry should take cognizance of the same and put together a mechanism in place to ensure implementation of the said DOPT OM scrupulously. The Committee would also like to direct that the Ministry should leave no stone unturned to ensure that the said exercise is completed within a stipulated time period. Further, the Committee should also be appraised about the progress made in this regard.”

#### Reply of Government /Oil Companies

2.2 In this regard, the Ministry have submitted the following reply:

##### **“Indian Oil Corporation Ltd. IOCL)**

Reservation of posts for SCs/STs in the matter of direct recruitment and promotion is made in terms of Presidential Directives/Government guidelines issued from time to time. The instructions contained in DOPT OM No.36012/16/2019-Esttt.(Res.) dated 12.04.2022 with regard to reservation in promotions for SC/ST employees are duly complied with.

##### **Bharat Petroleum Corporation Ltd.(BPCL)**

In BPCL, no promotions, including promotions of SC/ ST, were halted during pendency of the Supreme Court Case, hence the Supreme Court judgment will not lead to any additional promotions. BPCL are also in compliance with DoPT OM ref. no. 36012/16/2019-Estt. (Res.) dated 12th April 2022 on the subject.”

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#### Recommendation No. 3

2.3 The Committee had recommended as under:

“The Committee are pleased to note that the staff strength in OMCs is satisfying the requisite percentage of Scheduled Castes and Scheduled Tribes. The figures pertaining to recruitment and promotion of Scheduled Castes and Scheduled Tribes are almost complying with the mandated percentage for reservation/representation. However, BPCL needs to put in sincere and extra efforts in this regard as the percentage of STs is quite low in Group A, B and C category of posts. The Committee also note that in BPCL, representation of SCs in Group B and C is also not upto the mark. BPCL have stated that no recruitment was carried out in the year 2020 and 2021 on account of pandemic. However it is pertinent to note that the recruitment figures relating to SCs and STs are also quite dismal being 7.7% and 2.1% respectively for the year 2019. Likewise, the percentage of promotion to the lowest rung of Group A stands at 11.11% and 5.55% for SCs and STs respectively whereas the same is NIL for promotion to Group B and C posts for SCs and STs. The said position cannot be justified on the ground of pandemic. The Committee would like to recommend that Ministry should impress upon BPCL to fulfill the mandated representation of SCs and STs in services. The Committee may be categorically apprised of the reasons for the foresaid low representation with corrective action taken in this regard within three months of presentation of this Report in Both the Houses of Parliament. The Committee also note that in IOCL, the number of SCs and STs promoted to Group A, B and C are less than that the mandated percentage for the year 2021. The Committee recommended that Ministry should also issue necessary directions to IOCL to bring the figures as per percentage of reservation fixed for SC/ST as per DOPT guidelines and submit the reasons for low figures along with corrective measures taken in this regard.”

### **Reply of Government /Oil Companies**

2.4 In this regard, the Ministry have submitted the following reply:

#### **“Indian Oil Corporation Ltd. (IOCL)**

IOCL has submitted that recruitment of SC/ST candidates in undertaken in compliance of the extant guidelines issued by DoPT/ Ministry from time to time which

amongst others include selection of required no. of SC/ST candidates as per the reservation criteria and not adjusting the SC/ST candidates being selected on “own merit” against the reserved posts. The promotions policy for workmen in IOCL is finalised by entering into tripartite/bipartite settlement under the provisions of Industrial Disputes Act, with the respective Union(s) of the Unit in which the reservation applicable to SC/ST employees is duly extended and ensured. The promotion policy finalised inter alia contains the eligibility for promotion viz no. of years required in the service, no. of marks (based on performance report) etc with relaxed norms for SC/ST candidates.

IOCL has submitted that promotion to Group A which includes promotion from workman cadre to officer cadre, there is general reluctance amongst their workmen to apply for the post as same includes the transfer of workmen from the current location. Due to family responsibilities/ age related issues, very few employees apply for promotion to Group A which is a bona-fide reason for lesser number of SC/ST employees in Group A promotion.

As regard Group B & C, it is submitted that during year 2021, all the SC/ST candidates who were meeting the promotion criteria applicable for workmen as per the promotion policy were promoted to higher grade. The SC/ST candidates who had secured more marks than the last promoted General category candidate were promoted against unreserved posts. Only the SC/ST candidates who were promoted against relaxed standards were adjusted against the reserved posts. In 2021, **429** no. of SC/ST candidates were promoted to higher grade in Group B & Group C on own merit.

In 2022 also, IOCL has duly complied with the reservation guidelines applicable for SC/ST employees in promotions and **351** no. of SC/ST employees have been promoted on own merit. The other SC/ST employees meeting the promotion criteria on relaxed standards have been promoted against reserved posts. Reservation to none of the SC/ST employee meeting the eligibility criteria (or against relaxed standards) have been denied or kept on hold.

**Bharat Petroleum Corporation Ltd.(BPCL)**

**Reasons for low representation of SC/ST in Group A, B and C:**

- BPCL has informed that there have been minimal recruitments in 2019 and no recruitment in **Group C** from 2020 owing to technological upgradations. Similarly, there have been no recruitments in **Group B** for more than two decades. Considering the changing business landscape, BPCL do not anticipate any recruitment in Group B and C in the near future, however care will be taken to address the low representation percentages if and when any recruitment is carried out in these groups.
- As regards to **Group A**, the low representation of ST is owing to:
  - In view of the proposal of privatization of BPCL in the past, the recruitments were restricted and only minimal numbers were recruited purely for specialized profile in the last few years (2019-2021).

BPCL has already taken steps to make good the low representation of ST by recruiting 10.16% of Scheduled Tribe candidates in the ongoing recruitment cycle of 2023. BPCL has also assured the Committee that they shall endeavour to achieve the desired representation in future recruitment cycles.

**Reasons for low recruitment percentages of SC/ST in 2019 and filling up of backlog vacancy:**

In view of the proposal of privatization of BPCL in the past, the recruitments were restricted and only minimal numbers were recruited purely for specialized profile in the last few years (2019-2021). Thus adequate representation could not be maintained during the said years. However, BPCL assured the Committee that BPCL takes adequate steps to ensure compliance with Presidential Directives in all its recruitment exercises. Illustratively, BPCL recruited 16% of SCs and 7.2% of STs in the recruitment year 2018.

Efforts are underway to recruit enough numbers of SCs and STs to fulfil the backlog in the current recruitment cycle.

**Reasons for low representation of SC/ST in Promotion:**

Recruitment of non-management staff (which is the feeder category for promotions) is done locally by Regions/ Refineries, normally attracting local candidates. Such staff generally are averse to transfers which come along with promotion to Management Cadre (lowest rung of Group A). Thus, in spite of the vacancies being

advertised internally and reservations and relaxations being notified to SC/ST staff, very limited number of candidates belonging to SC/ ST category apply. BPCL endeavour to release exclusive promotion notifications for SC/ST staff for promotion to the lowest rung of Group A. This will allow BPCL to move towards meeting the requisite percentages as advised under Presidential Directives.”

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#### **Recommendation No. 4**

2.5 The Committee had recommended as under:

“The Committee note that there are 3 SC and 1 ST Group A backlog vacancy in BPCL, HPCL has a backlog of 7 SC vacancy in Group C. Backlog figures in IOCL are massive with 21 SC and 24 ST backlog vacancy in Group A, Group C has 11 backlog vacancies (6 SC and 5 ST) and Group D has 5 Backlog vacancies (3 SC and 2 ST). The Committee do not accept the contention offered by OMCs that required number of SC/ST candidates are not available. The Committee recommends that Special recruitment Drive be carried out at the earliest and all the backlog vacancies in all the relevant Public Sector Oil Companies be filled within 3 months of presentation of this Report in Both the Houses of Parliament.”

#### **Reply of Government /Oil Companies**

2.6 In this regard, the Ministry have submitted the following reply:

##### **“Indian Oil Corporation Ltd. IOCL)**

IOCL has submitted that consistent efforts are undertaken by the IOCL to keep the backlog vacancy to lowest. In recent past the recruitment process have been adversely affected due to Covid-19. Regular recruitment process is conducted during the year and backlog vacancies are normally liquidated along with the regular recruitment process. As on 31.12.2022, some of the backlog vacancies were liquidated and final status of backlog is as under-

<b>Group</b>	<b>Back log as on</b>	<b>Backlog as on</b>
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	<b>01.04.2022</b>		<b>31.12.2022</b>	
	SC	ST	SC	ST
A	21	24	12*	19*
C	6	5	3	4
D	3	2	3	2

\*We would like to submit that out of 12/19 backlog vacancies in Group A, 12 SC & 15 ST Backlogs are on account of vacancies not filled thru 'Other than Open' category of recruitment. i.e. campus recruitment. The same is due to alternate / better opportunities available to the eligible SC/ST candidates in colleges who do not join IOCL despite being selected, thus, adding to the backlogs. There is backlog of only 4 ST vacancies in Group A under "open category" where sufficient number of SC/ST candidates are available.

As instructed by the Committee, IOCL shall further be taking necessary steps to liquidate the backlog vacancies at the earliest including the conduct of Special recruitment Drive, if required.

**Bharat Petroleum Corporation Ltd.(BPCL)**

**Reasons for low representation of SC/ST in Group A, B and C:**

- BPCL has submitted that there have been minimal recruitments in 2019 and no recruitment in **Group C** from 2020 owing to technological upgradations. Similarly, there have been no recruitments in **Group B** for more than two decades. Considering the changing business landscape, BPCL do not anticipate any recruitment in Group B and C in the near future, however care will be taken to address the low representation percentages if and when any recruitment is carried out in these groups.
- As regards to **Group A**, the low representation of ST is owing to:
  - In view of the proposal of privatization of BPCL in the past, the recruitments were restricted and only minimal numbers were recruited purely for specialized profile in the last few years (2019-2021).

We wish to inform the Committee that BPCL has already taken steps to make good the low representation of ST by recruiting 10.16% of Scheduled Tribe candidates in

the ongoing recruitment cycle of 2023. We assure the Committee that we shall endeavour to achieve the desired representation in our future recruitment cycles.

**Reasons for low recruitment percentages of SC/ST in 2019 and filling up of backlog vacancy:**

In view of the proposal of privatization of BPCL in the past, the recruitments were restricted and only minimal numbers were recruited purely for specialized profile in the last few years (2019-2021). Thus adequate representation could not be maintained during the said years. However, we would like to assure the Committee that BPCL takes adequate steps to ensure compliance with Presidential Directives in all its recruitment exercises. Illustratively, we recruited 16% of SCs and 7.2% of STs in the recruitment year 2018.

Efforts are underway to recruit enough numbers of SCs and STs to fulfil the backlog in the current recruitment cycle.

**Reasons for low representation of SC/ST in Promotion:**

Recruitment of non-management staff (which is the feeder category for promotions) is done locally by Regions/ Refineries, normally attracting local candidates. Such staff generally are averse to transfers which come along with promotion to Management Cadre (lowest rung of Group A). Thus, in spite of the vacancies being advertised internally and reservations and relaxations being notified to SC/ST staff, very limited number of candidates belonging to SC/ ST category apply. It is our endeavour to release exclusive promotion notifications for SC/ST staff for promotion to the lowest rung of Group A. This will allow us to move towards meeting the requisite percentages as advised under Presidential Directives.

**Hindustan Petroleum Corporation Ltd. (HPCL)**

HPCL has submitted in response submitted by them on LOP arising out of sitting held on 25.05.2022 and our further submission vide letter dt. 19.08.2022 on important points discussed during Parliamentary Committee (SC & ST) held on 02.08.2022, HPCL had submitted their response as **backlog of 7 STs**. While, the Committee's report dt. 20.12.2022, it is mentioned backlog of 7 SCs instead of 7 STs pertaining to HPCL.

HPCL has inform that the backlog of 7 STs have been filled in November 2022.”

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**Recommendation No. 10**

2.7 The Committee had recommended as under:

“The Committee would like to recommend that Ministry should direct OMCs to carry out regular survey and surprise inspection be carried out at various petrol pumps throughout the country to curb the practice of benami operations. Also during such inspections, proof of ownership, caste certificate and office accounts/ledgers bearing signature, payment details in account and name of owners be examined impromptu along with mandatory presence of owner to establish authenticity of ownership. The Committee further recommend that the Government should undertake this exercise within three month of the presentation of this report in both the Houses of the Parliament and should also apprise the Committee of the progress made in this regards.”

**Reply of Government /Oil Companies**

2.8 In this regard, the Ministry have submitted the following reply:

“Public Sector OMCs have a system in place to check that dealerships are being operated by the authorised signatories of the dealership agreement as per the laid down guidelines, which mandates verification of the names of the authorized signatories of the Dealership Agreement with those featuring in the following documents:-

1. Name of the proprietor / partners appearing in the Capital account holder section of audited Balance sheet.
2. Name of the partners as per the last registered partnership deed.
3. Name of the authorised signatories of Bank account of the Dealerships.
4. Name of the proprietor / partner(s) appearing in Trading license (RSL/Form B etc issued by the State Govt.).”

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**Recommendation No. 12**

2.9 The Committee had recommended as under:

“The Committee appreciate the assistance provided to the SC/ST allottees of RO dealerships and LPG distributorships by the OMCs and feel that it would considerably motivate many SC/ST people to undertake these ventures. The Committee also feels that there is an important factor which is very imperative for the successful operation of these projects. Imparting training for successful running of dealerships and distributorships is important since many SC/ST allottees will generally lack business acumen and if not given proper training the projects will not succeed as desired. The Committee are, therefore, of the view that apart from financial assistance, providing trainings to the SC/ST allottees will be very integral to the success of these schemes provided to the SC/ST people for their economic development. The Committee, therefore, recommend that apart from financial assistance, the OMCs should compulsorily provide necessary trainings to SC/ST allottees on running of retail outlets and gas agencies so that the purpose for which the Retail Dealerships/LPG Distributorships is given to them do not go in vain.”

#### **Reply of Government /Oil Companies**

2.10 In this regard, the Ministry have submitted the following reply:

“With respect to Retail Outlets, It is submitted that training is being provided to the newly selected dealers, including SC/ST dealers (allottees) on the various facets of operations of retail outlet.

With respect of LPG OMCs provide training to all the LOI holders before commissioning of LPG distributorship for successfully running day to day activities. Training is also imparted to all the staff including staff at counter and delivery boys of the distributorship to ensure that the process of running distributorship is successful and achieves the targets. The field officers of the OMCs also handhold distributors in the initial phases for ensuring the documentations related to LPG distributorships. Regular trainings are conducted for the commissioned distributorships for various operational aspects. Further, field officers during their regular visits to the Distributorships also guide the distributors wherever felt necessary.”

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### **CHAPTER – III**

## **RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN THE LIGHT OF THE REPLIES RECEIVED FROM THE GOVERNMENT**

### **Recommendation No. 5**

3.1 The Committee had recommended as under:

“The Committee have been informed that OMC engages contractual labourers through contractors and it is ensured that various benefits are provided to them. However, the Committee has not been provided details regarding the number of Scheduled Castes and Scheduled Tribes personnel employed through contractual appointment. The Committee may be provided details in this regard and whether the reservation representation/percentage is being scrupulously maintained in these appointments. If no data has been prepared for the said purpose, the same may be compiled since the last 05 years and information may be provided accordingly. The Committee would further like to invite the attention of Ministry and OMCs to DoPT order No. 36036/3/2018-Estt. dated 15.5.2018 whereby reservations are to be made for Scheduled Castes and Scheduled Tribes in all temporary appointments, except appointments which are to last for less than 45 days. The Committee recommend that OMCs being principal employer should impress upon the contractors to follow the aforesaid order in letter and spirit to ensure adequate representation of Scheduled Castes and Scheduled Tribes in contractual appointments. The said instructions may also be included in the contract document to be made in future.”

### **Reply of Government /Oil Companies**

3.2 In this regard, the Ministry have submitted the following reply:

#### **“Indian Oil Corporation Ltd. IOCL)**

In IOCL does not hire employees on Contract basis. It is ensured by IOCL that in any appointment made by the IOCL for more than 45 days, the reservation guidelines contained in DoPT order No. 36036/3/2018-Estt dated 15.05.2018 are duly adhered to.

With regard to contract labour, it is submitted that they are appointed by the respective contractors and not by the IOCL. Being the principal employer, the responsibilities vested with IOCL under different statutes with respect to correct wage payment/ payment of PF/ESI contributions etc of contract labourers are duly complied by proper monitoring.

#### **Bharat Petroleum Corporation Ltd.(BPCL)**

In BPCL, there is a demarcation of job roles and responsibilities between permanent workmen and contract labour. Unlike permanent workmen, contract labourers are engaged through contractors/agencies for non-core, sporadic, peripheral nature of jobs and for project related jobs under “Contract for services” within the purview of Contract Labour (Regulation & Abolition) Act, 1970. Their engagement, thus, is dynamic and keeps varying depending on the projects / works being undertaken. These contract workmen predominantly belong to socially / economically backward classes.

The engagement of contract workmen is the discretion of the contractor and BPCL has no role in their enrolment. However, being the principal employer and a law-abiding corporate citizen, the Corporation ensures that the contractors fully comply with their obligations under various statutes including Minimum Wages Act, Payment of Wages Act, Employee Provident Funds Act, Employee State Insurance Act, Contract Labour (Regulation & Abolition) Act etc. as applicable.

#### **Hindustan Petroleum Corporation Ltd. (HPCL)**

At HPCL, the contractor is engaged after following due tendering process and in adherence to applicable labour legislations. For performing the contractual obligations, the contractor engages his own workmen and deploy as per the

required skill for the job. Since the engagement of workmen is within the purview of contractor (as the employer), HPCL has no say in ensuring the recruitment of such contract workers at locations. Hence, HPCL do not monitor the reservation of Scheduled Caste and Scheduled Tribes in recruitment of contract worker by contractor. Further, presently HPCL have not incorporated any terms in this regards in the terms of contract. However, HPCL will explore the possibilities of incorporating the terms of ensuring adequate representation of Scheduled Castes and Scheduled Tribes in appointments in future contracts in line with the recommendation of the Committee.”

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### **Recommendation No. 8**

3.3 The Committee had recommended as under:

“The Committee have unanimous opinion that the revamping of retail outlet/dealership guidelines post 2014 have rather proved to be an inflection point w.r.t. the interests of SC/ST applicants vying for allotment of petrol pumps. In the opinion of the Committee with the advent of new guidelines, the Scheduled Castes and Scheduled Tribes applicants have been burdened with the onerous task of finding suitable lands themselves. Moreover, the Ministry in its written replies have informed that Public Sector OMCs are not extending any financial aid to applicants for locations under SC/ST category for the purpose of acquiring land. The Committee are not inclined to accept the way of working of the Ministry which has turned a blind eye towards the unruly practices restored by a few officers/individuals, thereby depriving deserving Scheduled Castes and Scheduled Tribes candidates from accruing benefits who got LOI and could not yield desired results owing to change in policy. It is no secret that most of SC/ST population hails from humble background and possess no means for procuring lands at lucrative locations for the purpose of setting up of petrol pumps. Thus, they are often swindled by individuals seeking to siphon perks relating to reservation rules and preying upon the vulnerability of SC/ST people. It seems that Ministry is not keen to address the fact that there are benami operation of petrol pumps rampant throughout the country whereby few individuals who are in possession of suitable

lands are running the petrol pumps in the name of SC/ST individuals covertly. The Committee would like to be apprised regarding the methodology and procedure adopted by the OMCs to check benami operations. The Committee, therefore, desire that the Government should take sincere and serious efforts to curb the practice of benami operations. Running of petrol pumps and gas agencies in the name of SC and ST people by others not only deprives many deserving SC/ST people and opportunity to ameliorate their socio-economic conditions, but also amounts to atrocity towards Scheduled Castes and Scheduled Tribes and should be dealt with severely. The Committee would also like to recommend that compliance reports be sought from OMCs regarding benami operations functional within their respective domains and take stern actions against such persons who are creating hurdles in the way of reservation policy to achieve its targets.”

#### **Reply of Government /Oil Companies**

3.4 In this regard, the Ministry have submitted the following reply:

“Public Sector OMCs have a system in place to check that dealerships are being operated by the authorised signatories of the dealership agreement as per the laid down guidelines, which mandates verification of the names of the authorized signatories of the Dealership Agreement with those featuring in the following documents:

1. Name of the proprietor / partners appearing in the Capital account holder section of audited Balance sheet.
2. Name of the partners as per the last registered partnership deed.
3. Name of the authorised signatories of Bank account of the Dealerships.
4. Name of the proprietor / partner(s) appearing in Trading license (RSL/Form B etc issued by the State Govt.)

With respect of LPG distribution is governed by Distributorship Agreement that needs to be adhered to by the LPG Distributors.

It has been mandated through Policy Guidelines that distributors have to establish the operation of their distributorship in sync with approved constitution every year. The onus to provide documents to establish operation of distributorship is with the distributor.

For this purpose, KYC of Distributorships are carried out at regular intervals wherein Distributor has to provide the relevant data, and attach documents in support of their Dealership Constitution like

- i. Letter from Bank confirming names of account holder
- ii. Portion of audited balance sheet showing names of capital account holders.

Additionally, in case of receipt of complaint on Benami operations of a distributor, the same is investigated and in all established cases of violation of the terms of distributorship agreement, action is initiated against the concerned distributor.”

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## **CHAPTER – IV**

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

#### **Recommendation No. 1**

4.1 The Committee had recommended as under:

“The Committee are of understanding that rarely there a member of Scheduled Castes and Scheduled Tribes community included in Board of Directors of OMCs. The Committee would like to be apprised about the number of Scheduled Castes and Scheduled Tribes candidates who have been appointed in the Board of Directors as official or non official directors during the past five years. The Committee would like to emphasize that inclusion of members of SC/ST community in the Board of Directors is pertinent as they bring forth the views of SC/ST employees of the organization. The Committee are of considered opinion that a representative of SC/ST community is better attuned to the trials and tribulations of SC/ST employees and thus their position in the Board of Directors is bound to work in the interest of SC/ST employees. The Committee also feels that due weightage and necessary relaxation be extended to SC/ST candidates while considering them for a position in the Board of Directors. This would not only provide an opportunity to representative of Scheduled Castes and Scheduled Tribes to be a part of

policy/decision making process but also act as platform to enhance the prospects of other SC/ST employees working in the organization. The Committee would also like to recommend that Ministry should also take initiative and propose amendment in the existing rules/regulations to facilitate appointment of Scheduled Castes and Scheduled Tribes in Board of Directors.”

### **Reply of Government /Oil Companies**

4.2 In this regard, the Ministry have submitted the following reply:

“Appointment to the Board of Directors are made on the recommendation of Public Enterprises Selection Board(PESB) on the basis of applications received in response to a public advertisement for the purpose.”

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### **Comments of the Committee**

**4.3 Please see Para No. 1.7 of Chapter I**

### **Recommendation No.6**

4.4 The Committee had recommended as under:

“The Committee are flabbergasted to note that Ministry in its written replies has been quite evasive regarding as to how the current guidelines were formulated and its approval process. Even the top officials while rendering evidence before the Committee were clueless and incoherent in their submission in the matter. No clarity has been offered about whether the policy was ratified at the Board/Ministerial level. The Committee would like to place on record that by giving full autonomy to OMCs in the matter, the Ministry has itself reduced its stature to that of a mere rubber stamp. The current guidelines clearly favour OMCs whereby they are absolved from hunting suitable locations for inception of petrol pumps and gas agencies. This is the precise reason why the Ministry in its reply has deemed reverting back to the previous policy which clearly favoured Scheduled Castes and Scheduled Tribes candidates as a ‘retrograde’ step. The Committee are unable to comprehend as to why the Ministry is dithering regarding restoration of old policy. The Committee have been informed that in 2014 Retail Outlet selection guidelines have been drawn on the basis of board

guidelines approved by Ministry of Petroleum and Natural Gas vide letters dated 20.07.2012 and 17.02.2014. The Committee may be provided a copy of aforementioned letters/communications. The Committee would further like to point out that since OMCs are commercial ventures whose main objective is to make profit but at the same time Oil Companies being a Public Sector, the interest of SCs/STs should not be left solely on the Board of OMCs, as to safeguard the interest of SCs/STs is the mandatory duty of the Ministry concerned. The Committee would like to impress that before the guidelines/policy are prepared and approved by the Board of OMCs/Ministry, such a vital issue should also be duly referred to Parliamentary Committee before the same are implemented by the OMCs. The Committee also recommends that the guidelines for the selection of Dealerships/Distributorships of petroleum products/major policy issues framed and implemented by the OMCs should firstly be vetted and approved by the Ministry before these are implemented by the OMCs to safeguard the interest of SCs/STs with utmost sincerity and responsibility.”

#### **Reply of Government/Oil Companies**

4.5 In this regard, the Ministry have submitted the following reply:

“MOP&NG vide letter No. P-30024/33/2012-MC dated 17.02.2014 approved the Retail Outlet Dealer Section Guidelines (DSG) which were implemented by Public Sector Oil Marketing Companies (OMCs) on 21.05.2014.

Further, in line with the Government’s motto of ease of doing business and transparency, Public Sector OMCs implemented Dealer Selection Guidelines 2018 based on their Marketing Plan and business viability.

Further, the process of application and allotment of retail outlets have been simplified and made more transparent by Public Sector OMCs. The salient features of the simplified process are as below:-

- i. User friendly on-line application only and processing.
- ii. <http://www.petrolpumpdealerchayan.in> is a common platform for applying online to Public Sector OMCs.
- iii. Self-certification/declaration of the eligibility criteria by applicants and scrutiny only after selection.

- iv. All applicants meeting the eligibility criteria on nationality, age education and provision of suitable land will qualify for further selection process.
- v. Transparent process of selection through on line computerized draw of lot/bid opening. Marks based evaluation system and interview are not part of the present selection process.
- vi. Candidate to produce the documents after selection.
- vii. Residence certificate for Rural ROs done away with.
- viii. Communication with applicants through SMS/email registered by the applicants. All communication to the candidate online through emails.
- ix. Payment of application fee, initial security deposit for processing of application is through online payment mode only.
- x. All applicants can see the Status of selection on the web portal.
- xi. A well-defined grievance redressal system in place.

Procedure/Norms for allotment of Retail Outlet Dealerships in the country are available on the website [www.petrolpumpdealerchayan.in](http://www.petrolpumpdealerchayan.in)

With respect of LPG the current distributor selection guidelines are “Unified Guidelines for Selection of LPG Distributorship, 2016”. The Ministry of Petroleum & Natural Gas vide letter P-20019/2/2016-LPG dated 23/06/2016 conveyed approval of “ Unified Guidelines for Selection of LPG Distributorship, 2016 ”. Further, in line with the Government’s motto of ease of doing business and transparency, the process of applying for LPG distributorship has been greatly simplified and a transparent online selection process is in place. All applicants are required to submit their application on web-based portal <https://www.lpgvitarakchayan.in>. The online selection process includes, online receipt of application, processing and online draw of lots etc. Online draw of lots is conducted by M/s Metal Scrap Trade Corporation Ltd.(MSTC), a Central Public Sector Undertaking, with assistance of National Informatics Centre(NIC).

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. Applicant 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 should be not less than 21 years and not more than 60 years in age as on the date of advertisement. There is no age restriction for applicants applying for locations reserved under FF category.
- iv. Applicant shall not be a family member of employee of Oil Marketing Company(OMC) as on date of application.
- v. Applicant shall fulfil Multiple Dealership/Distributorship norms.
- vi. Applicant shall not be a signatory to distributorship/dealerships agreement, terminated on account of proven cases of malpractices/adulteration.
- vii. Applicant 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.”

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### **Comments of the Committee**

#### **4.6 Please see Para No. 1.20 of Chapter I**

#### **Recommendation No. 7**

4.7 The Committee had recommended as under:

“The Committee feel that Ministry and OMCs are in cahoots in the matter and do not want to put in sincere efforts in scouting suitable lands for setting up petrol pumps and gas agencies. The Committee would like to categorically point out that being pioneering OMCs of India, BPCL, HPCL and IOCL should not shirk away from the responsibility of identifying and acquiring land for setting up of petrol pumps for the allottees belonging to SC/ST communities who are socially and economically backward since a considerable period of time. In fact, OMCs should be the one selecting such locations on the basis of market survey, revenue generation and turnover statistics and purchasing them as well. Placing the burden of land selection and acquiring on Scheduled Castes and Scheduled Tribes candidates would not be a

profitable scenario in case the petrol pumps and gas agencies shut down due to lack of aforementioned skill set in novice SC/ST dealers. The Committee unanimously recommend that in case the guidelines cannot be reverted back as a whole to previous one at least the clause pertaining to offering suitable land at advertised location be done away with at least in the case of SC/ST candidates so that genuine and needy candidates of these communities can apply for ownership of Petrol pumps and gas agencies. Further, it is recommended that Ministry may also explore the possibility of providing land to the applicants on lease basis for setting up retail outlets. The Committee would like to call attention of Ministry to the fact that arranging suitable lands for RO Dealerships/LPG Distributorships for SCs/STs is foremost so that various concessions/relaxations and financial support provided to them can have real meaning.”

#### **Reply of Government /Oil Companies**

4.8 In this regard, the Ministry have submitted the following reply:

“Public Sector OMCs have made several efforts to procure suitable land for SC/ST Letter of Intent (LOI) holders through multiple public advertisements and also through requests by MOPNG and OMCs to various State Governments to provide suitable Government land but have not yielded desired results.

The changes in 2014 guidelines merely envisaged that SC/ST applicants should identify and offer suitable land. The guidelines do not stipulate that land should compulsorily be purchased or obtained on lease by SC/ST applicants but could also apply with land identified by them on firm offer/commitment basis from 2014 onwards. These identified lands are acquired by Public Sector OMCs directly from the landowner at mutually agreed terms and conditions. Infrastructure/ facilities are developed and provided at Public Sector OMCs cost on such lands. Therefore, there is no change in the obligations on the part of the Public Sector OMCs as far as procurement of land and providing infrastructure to SC/ST applicants, at the cost of Public Sector OMCs.

With respect of LPG as per Unified Guidelines for Selection of LPG, 2016, the applicant should be having land for godown and showroom in the name of one of the family members of applicant or on registered lease. Selection for LPG Distributorship

is made by inviting applications through Advertisement/ notification under appropriate category in newspapers. The details of the locations advertised are made available at the portal <https://www.lpgvitarakchayan.in>. State-wise reservation rosters are prepared for location advertised for commissioning of LPG distributorships.

Corpus Fund Scheme has been replaced by a bank mediated financial assistance scheme to SC/ST LOI holders. OMCs assist the selected candidates under SC/ST category in getting financial assistance through this scheme. OMCs have informed that they are not in a position to acquire land in advance till rostering of the locations are completed. This is bound to delay the process of advertisement and further selection under SC/ST Category. Further, OMCs assist the selected candidates of SC/ST category in getting financial assistance from Bank. OMCs have mentioned that all facilities, assistance etc are closely monitored.”

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

### **Comments of the Committee**

#### **4.9 Please see Para No. 1.23 of Chapter I**

#### **Recommendation No.9**

4.10 The Committee had recommended as under:

“The Committee are aghast to note that the Ministry on one hand have stated that efforts of OMCs to procure suitable land for SC/ST LOI holders through multiple public advertisement and also requests to various State Government to provide suitable government land has not yielded desired results and on the other hand materialize guidelines which place the onus of acquiring the land onto SC/ST individuals which is an implausible proposition. The Committee are perplexed to note that if the task of seeking land by OMCs in Collaboration with State Government is a formidable task then how is it expected that a person belonging to SC/ST community with no financial support and no insight on the matter would be able to achieve such far-fetched goals. The current guidelines clearly donot allow the benefits to the grass root level SC/ST people. The Committee are baffled at the double standards of the Ministry and OMCs in this regard. Inclusion of such clause is an open opportunity to deprive poor SC/ST individuals from benefits who have a combined stake of 22.5% in

the ownership of petrol pumps. The Committee are of concerted opinion that the rising number of SC/ST dealership being registered in the name of SC/ST dealership/ownership is a blatant manifestation of the same wherein the petrol pumps are registered in the name of SC/ST only in paper but are being run by others who provide land to these SC/ST applicants to gain dealership and in lieu pay a meager amount to these gullible SC/ST people. It is clear that the post 2014 guidelines has provided the opportunity to the Ministry and OMCs to pass the buck on to the SC/ST applicants whereby no financial assistance is being offered for obtaining suitable land be it at rural or urban location. The Committee are dismayed at the insouciant stance of the Ministry in the matter. The Committee would like to express its displeasure at the nonchalant attitude of the Ministry in the matter whereby SC/ST individuals have been left to fend on their own. The Committee would like that Ministry in consultation with OMCs should strategically devise ways in which SC/ST applicants can be provided financial aid via corpus fund for acquiring land as well.”

#### **Reply of Government /Oil Companies**

4.11 In this regard, the Ministry have submitted the following reply:

“The guidelines do not stipulate that land should compulsorily be purchased or obtained on lease by SC/ST applicants but could also apply with land identified by them on firm offer/ commitment basis. These identified lands are acquired by Public Sector OMCs directly from the landowner at mutually agreed terms and conditions. View above there is no requirement of applicant to invest for land at application stage.

Financial assistance towards working capital loan to SC/ST category dealerships under Corpus Fund scheme is given by Public Sector OMCs on award of retail outlet dealership and after the execution of dealership agreement with Public Sector OMC for operation of Dealership.”

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

#### **Comments of the Committee**

**4.12 Please see Para No. 1.26 of Chapter I**

### **Recommendation No.11**

4.13 The Committee had recommended as under:

“The Committee notes that most of SC/ST dealers avail Corpus Fund facilities provided by the OMCs for setting up RO dealerships. The Committee are of the view that for many SCs and STs to own a retail outlet dealership is a mammoth project which attracts astronomical investments for setting up. Therefore, many of the SCs and STs, barring few educated ones, are not inclined to apply for dealerships/distributorships thinking that they would not be able to run the dealerships/distributorships. The Committee opines that many SCs and STs are still oblivious of the fact that a Corpus Fund Scheme and other assistance are provided by the OMCs to set up dealerships/distributorships. The Committee, therefore, recommend that to gain attention of deserving educated unemployed SC/ST candidates to apply for dealerships/distributorships, the various assistance, facilities, concessions and especially the Corpus Fund Scheme should be clearly highlighted in the advertisements. The Committee also recommend that the OMCs should underline in the said advertisement that SC/ST applicants will be provided all assistance under the Corpus Fund Scheme, if selected, for dealerships/distributorships.”

### **Reply of Government /Oil Companies**

4.14 In this regard, the Ministry have submitted the following reply:

“With respect to Retail Outlets, currently, advertisements are being released by OMCs in capsule form in newspapers and the Dealer Selection Brochure is uploaded in the OMC web sites. The Dealer Selection Brochure of OMCs contains comprehensive information on selection process including the provisions of Corpus fund assistance scheme for locations reserved for SC/ST.

With respect of LPG as per Unified Guidelines for Selection of LPG, 2016, the applicant should be having land for godown and showroom in the name of one of the family members of applicant or on registered lease. Selection for LPG Distributorship is made by inviting applications through Advertisement/ notification under appropriate category in newspapers. The details of the locations advertised are made available at

the portal <https://www.lpgvitarakchayan.in>. State-wise reservation rosters are prepared for location advertised for commissioning of LPG distributorships.

Corpus Fund Scheme has been replaced by a bank mediated financial assistance scheme to SC/ST LOI holders. OMCs assist the selected candidates under SC/ST category in getting financial assistance through this scheme. OMCs have informed that they are not in a position to acquire land in advance till rostering of the locations are completed. This is bound to delay the process of advertisement and further selection under SC/ST Category. Further, OMCs assist the selected candidates of SC/ST category in getting financial assistance from Bank. OMCs have mentioned that all facilities, assistance etc are closely monitored.”

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated 11/05/2023

### **Comments of the Committee**

#### **4.15 Please see Para No. 1.29 of Chapter I**

#### **Recommendation No. 13**

4.16 The Committee had recommended as under:

“The Committee have been informed that as per the new guidelines the concept of interest free refundable security deposit has been introduced whereby the Scheduled Castes and Scheduled Tribes applicants needs to shell out Rs. 2 lakh and Rs. 3 lakh while applying for dealership of Rural RO and Regular RO respectively. The Committee feels that such high security fee would prove deterrent for Scheduled Castes and Scheduled Tribes applicants hailing from low income group and would further dissuade them for venturing into the application process for Petrol Pumps. It is therefore recommended that the Ministry should make earnest efforts to do way with the security fee for SC/ST applicants applying for rural RO and regular RO or reducing it to Rs. 50,000/- and Rs. 1 lakh respectively.”

#### **Reply of Government /Oil Companies**

4.17 In this regard, the Ministry have submitted the following reply:

“Interest free refundable security deposit for SC/ST applicants was modified by Public Sector OMCs in 2018 for retail outlet dealerships, as under:-

<b>Category</b>	<b>Regular RO</b>	<b>Rural RO</b>
SC/ST	Rs. 3 lakhs	Rs. 2 lakhs
OBC	Rs. 4 lakhs	Rs. 3 lakhs
Open	Rs. 5 lakhs	Rs. 4 lakhs

M/o Petroleum and Natural Gas O.M. No. AS-13013/03/2022-SCT-PNG Dated  
11/05/2023

### **Comments of the Committee**

**4.18 Please see Para No. 1.32 of Chapter I**

**CHAPTER – V**

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

**- Nil -**

**New Delhi;  
August, 2023  
10 Sravana, 1945(Saka)**

**DR. KIRIT P. SOLANKI  
Chairperson  
Committee on the Welfare of  
Scheduled Castes and**

**APPENDIX –II**

**(Vide Para 4 of Introduction)**

**Analysis of action taken by the Government on the recommendations contained in the Twentieth Report (Seventeenth Lok Sabha) of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes.**

1.	Total number of recommendations.....	9
2.	Recommendations/observations which have been accepted by the Government ( <i>vide</i> recommendations at Sl. No. 2, 3, 4, 10 and 12).....	6
	Number Percentage to the total .....	39%
3.	Recommendations/observation which the Committee do not desire to pursue in view of the Government replies ( <i>vide</i> recommendations at Sl. No. 5 and 8 .....	2
	Number Percentage to the total.....	15%
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> recommendations at Sl. Nos. 1, 6, 7, 9, 11 and 13.....	6
	Number Percentage to the total.....	46%
5.	Recommendations/observations in respect of which final replies of the Government have not been received .....	NIL