

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:4345  
ANSWERED ON:22.12.2005  
COMMISSION TO PETROL PUMP DEALERS  
Bishnoi Shri Jaswant Singh

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

- (a) the difference between the commission being paid by the Public and Private Sector Oil Companies to their petrol pump dealers;
- (b) whether the Government has received representations from the Public Sector Oil Companies petrol pump dealers to pay the commission at par with those of private sector petrol pump dealers;
- (c) if so, the details thereof; and
- (d) the reaction of the Government thereto?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) : The dealers` commission on petrol & diesel paid by the public sector oil marketing companies to its retail outlet dealers is Rs.848/KL and Rs.509/kl respectively. The dealers` commission offered by the private petroleum companies varies depending upon the investment made by the dealers.

(b) to (d): Government have received representations from the Federation of All India Petroleum Traders (FAIPT), requesting a 5% ad valorem commission. The Indian Institute of Management (IIM), Ahmedabad have been engaged to conduct a study to examine the expenditure by OMCs on the marketing setup and dealers` commission and to make suitable recommendations. The report is awaited.