

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

UNSTARRED QUESTION NO:3314
ANSWERED ON:19.08.2004
USE OF FAKE DOCUMENTS FOR DEALERSHIP
Bhadana Shri Avtar Singh

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

- (a) the details and number of cases in which the dealers appointed by Public Sector oil companies used fake documents to meet the criteria for dealership during the last three years, State-wise;
- (b) the punitive action taken against them; and
- (c) the measures taken by oil companies to check use of fake documents by dealers?

Answer

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

(a) to (c): The process for selection of dealers / distributors of petroleum products involves, among other matters, verification, at the time of interview, of the original of attached copies of all the relevant documents and prescribed certificates issued by the competent authority, as submitted by the candidates along with their applications. Cross-checking is also done by the designated officer of the oil company concerned while conducting field investigations of the selected dealers/distributors. All allegations of fake documents are investigated and any proof of fake documents leads to cancellation of dealership or refusal to convert Letters of Intent into a final contract.

Out of the dealerships/ distributorships appointed by the oil marketing companies (OMCs) during the period from 2001-02 to 2003-04, one case each of submission of a forged certificate for an LPG distributorship of Indian Oil Corporation Limited in the State of Manipur and a false affidavit for a retail outlet (petrol pump) dealership of the same company in the State of Rajasthan, was detected. While the LPG distributorship has been terminated, the case of the retail outlet dealership is subjudice.

The dealership / distributorship agreement that a public sector oil marketing company (OMC) enters into with the dealer / distributor select before appointment, does contain a clause by virtue of which if any information furnished by the dealer / distributor in his/her application is found to be false in any material respect, the OMC can terminate the dealership / distributorship under this agreement.