

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

UNSTARRED QUESTION NO:2147
ANSWERED ON:09.03.2006
MODERNISATION OF RETAIL OUTLETS
Chowdhury Shri Adhir Ranjan

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

- (a) whether the Government is aware that the public sector oil companies have spent crore of rupees on the modernization of a few retail outlets in the country and are giving higher amount of commission to these dealers;
- (b) if so, the reasons for such discrimination and criteria of selection;
- (c) whether the Government proposes to conduct any enquiry in the matter;
- (d) if so, the details thereof; and
- (e) the action taken/proposed to be taken to stop additional payment of dealers commission to those dealers?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b): The Public Sector Oil Marketing Companies (OMCs) make investment on modernization of their Retail Outlets (ROs) to improve appearance and to provide appropriate facilities/convenience to the customers with a view to facing competition in the deregulated scenario. The criteria for selection of ROs for modernization is primarily based on location, current sales, future potential. The payment of dealer's commission for sale of petrol and diesel is uniform for all dealerships. No higher commission is paid to dealers of modernized ROs.

(c) to (e): Do not arise, in view of the reply to parts (a) & (b) above.