

(d) Does not arise.

(e) The Government has on 14.10.2013 notified policy guidelines for exploration and exploitation of Shale Gas and Oil by National Oil Companies (NOCs) in their onland Oil and Gas nomination acreages. As per the policy, the NOCs will undertake a mandatory Minimum Work Program in a fixed timeframe for Shale Gas & Oil exploration and exploitation, so that there is optimum accretion and development of Shale Gas and Oil resources from the area already granted to them.

Currently there is no commercial production of shale gas in the country. The cost of production and the commerciality of shale gas would depend upon a host of factors which, *inter-alia*, include the quality of reservoirs, the technology adopted, the enabling policy environment and development of other associated infrastructure.

Irregularities by agents/dealers of oil PSUs

*68. SHRI PIYUSH GOYAL : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Public Sector Oil Companies have received a number of complaints of irregularities being committed by their authorized agents/dealers during each of the last three years and the current year;

(b) if so, the details thereof along with the action taken on such complaints; and

(c) the remedial measures taken or being taken by Government to keep a check on such irregularities being committed by the authorized agents/dealers of PSU oil companies?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI M. VEERAPPA MOILY) : (a) Yes, Sir. The Public Sector Oil Marketing Companies (OMCs) received 22,145 complaints of various kinds of irregularities against their Retail Outlet (ROs) and LPG Distributorships during the last three years and current year (April - Sept. 2013). Irregularities are also detected through inspections conducted by OMCs from time to time.

(b) During the last three years and current year (April-Sept., 2013), action of termination, suspension of sales and supplies, issuing of warning letter, fine & penalty etc. in 11127 and 6256 established instances including those received through complaints was taken against Retail Outlet Dealers and LPG distributors respectively. Year-wise details of action taken are given in the Statement (*See below*).

(c) Provisions have been made to prevent malpractices in various control orders promulgated under Essential Commodities Act, 1955 and contractual documents and related guidelines.

The Motor Spirit and High Speed Diesel (Regulation of Supply, Distribution and Prevention of Malpractices) Order, 2005 issued by the Central Government under Essential Commodities Act, 1955 provides for punitive action against malpractices such as adulteration of HSD. Public Sector OMCs also undertake regular and surprise inspection of Retail Outlets and take action under the provisions of the Marketing Discipline Guidelines (MDG) and Dealership Agreements against the outlets found indulging in irregularities/malpractices. The MDG provides for termination of outlets in the first instance itself for serious malpractices like adulteration, tampering of seals and unauthorized fittings/gears in the dispensing units and other graded penalties for other malpractices/irregularities. Other initiatives to prevent irregularities in Retail Outlets include Automation of Retail Outlets, Third Party Certification of Retail outlets, Monitoring of movement of tank trucks through Global Positioning System (GPS) to check various irregularities/malpractices at retail outlets of various Public Sector Oil Marketing Companies (OMCs).

The “Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000” has provisions for punishing diversion and black marketing etc. and “Marketing Discipline Guidelines, 2001” provide for penal action against LPG distributors indulging in diversion and other malpractices. To bring about transparency and enable social audit in the LPG supply chain, Project “Lakshya” was launched under which a slew of IT initiatives have been taken. These include prescribing a Know Your Customer (KYC) format for LPG connections, detection and blocking of ineligible 6.7 million domestic LPG connections and launching of transparency portal which provides real time information of delivery of LPG cylinders every day apart from several other information such as consumption of cylinders, subsidy availed, facilities such as surrendering connection online, registration of consumer complaints etc.

The Kerosene (Restriction on Use and Fixation of Ceiling Price) Order, 1993, issued under the Essential Commodities Act, 1955, *inter-alia* stipulates that dealers have to sell PDS Kerosene at a price fixed by the Government or OMCs, have to prominently display stock-cum-price board at the place of business including the place of store at a conspicuous place and provides for action against black marketing/diversion etc. Under this Control Order, State Governments are also empowered to take action against those indulging in black-marketing and other irregularities.

Statement*Irregularities by Agents/Dealers of Oil PSU's***I. Details of action taken by OMCs against Retail Outlet dealers on account of all established irregularities including through complaints**

Year	Termination	Suspension of Sales and Supply	Warning Letter/ Show Cause	Fine and Penalty imposed OMCs	Total of OMCs
2010-11	72	779	1404	268	2523
2011-12	78	725	2218	444	3465
2012-13	52	472	2375	285	3184
2013-14 (April to Sept.)	27	209	1691	28	1955
TOTAL	229	2185	7688	1025	11127

II. Details of action taken by OMCs against LPG distributorships on account of all established irregularities including through complaints

Year	Termination	Letter of Caution/Warning Letter/Show Cause Notice	Fine and Penalty imposed	Total of OMCs
2010-11	12	367	1109	1488
2011-12	13	398	1470	1881
2012-13	12	451	1755	2218
2013-14 (April to Sept.)	13	149	507	669
TOTAL	50	1365	4841	6256