

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM & NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO - 779
ANSWERED ON -10/02/2025

IRREGULARITIES AT RETAIL OUTLETS OF VARIOUS OMCs

779 SHRI SANJAY KUMAR JHA:

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

- (a) details of the rules/guidelines issued for checking irregularities or malpractices at retail outlets of various Oil Marketing Companies (OMCs) in the country;
- (b) number of cases of violation of such rules/guidelines and irregularities or malpractices including adulteration of petroleum products at the retail outlets of various OMCs reported during the last five years and current year along with action taken thereon, company and State/UT-wise;
- (c) agencies entrusted with the task of investigation of cases of irregularities during the said period, company-wise; and
- (d) other steps being taken or proposed by Government/OMCs to check such irregularities at retail outlets of OMCs?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI SURESH GOPI)

- (a) Public Sector Oil Marketing Companies (OMCs) have formulated and implemented Marketing Discipline Guidelines (MDG) for checking irregularities or malpractices at Retail Outlet (RO) Dealerships. Action is taken in case of established irregularities against erring dealers as per MDG guidelines and the Dealership agreement. MDG guidelines are available at website: <https://iocl.com/marketing-discipline-guidelines>.

The Central Government has also issued the Motor Spirit and High Speed Diesel (Regulation of Supply, Distribution and Prevention of Malpractices) Order, 2005 under Essential Commodities Act, 1955 which provides for punitive action against malpractices such as adulteration of petroleum products. Further, in June, 2022, the Government has extended the scope of Universal Service Obligations (USOs) to all retail outlets including remote area retail outlets. USOs have been prescribed so that authorized entities provide quality and uninterrupted fuel supply services to the consumers.

- (b) The number of irregularities/ malpractices detected at OMCs' retail outlets during the last five years and current year (from 2019-20 to 2023-24 and April to Dec, 2024) are given below:

Irregularities/Malpractices	Number of cases detected			
	IOCL	HPCL	BPCL	OMCs
Discrepancy in stock	2761	1896	151	4808
Suspected product adulteration	88	58	44	190
Overcharging	651	1119	16	1786
Unauthorised purchase / sale	3	13	6	22
Unauthorised fittings/Seals tampering/DU issues	700	43	87	830
Others like non maintenance of records, non-display of RSP, Minor deviations etc.,	70693	48245	25558	144496
Total	74896	51374	25862	152132

Source: Public Sector Oil Marketing Companies

As per information provided by PSU OMCs, no action was required in 43049 cases. The status of action taken against the Retail Outlet Dealerships in remaining 109083 cases relating to irregularities/ malpractices, during the last five years and current year (from 2019-20 to 2023-24 and April to Dec, 2024) are given below:

Action Taken	IOCL	HPCL	BPCL	OMCs
Termination including on account of adulteration	55	25	36	116
Suspension of sales & supplies	344	203	501	1048
Fine imposed	935	5443	2508	8886
Warning letter issued	20009	17517	17458	54984
Under investigation/Explanation called/Show cause issued/ Sub-judice	24095	16624	3330	44049
Total	45438	39812	23833	109083

The State/UT wise and OMC wise details of terminated Retail Outlet dealerships on account of established cases of violation of rules/guidelines and irregularities or malpractices including adulteration of petroleum products at the Retail Outlets during the last five years and current year (from 2019-20 to 2023-24 and April to Dec, 2024), are given at Annexure.

(c) and (d) Regular/Surprise inspections are carried out by OMCs' officials periodically at the Retail Outlets to check irregularities/malpractices and action is taken as per the Marketing Discipline Guidelines and the Dealership Agreement.

OMCs have a system in place to check various types of malpractices and irregularities at their ROs. The important initiatives taken in this regard,inter alia, include:

- (i) Availability of filter paper, calibrated density equipment (hydrometer / thermometer) & 5 liter calibrated measure for quality checks and delivery of correct quantity of MS/HSD.
- (ii) Regular/ Surprise inspections at Retail Outlets by OMCs' Field Officers/ Senior Officers/ Quality Reassurance Cell (QRC) team throughout the country. In case of irregularities, action is taken as per the MDG and Dealership Agreement.
- (iii) Surprise inspections by OMC Mobile labs, wherein samples of petrol and diesel from Retail Outlets are drawn and tested.
- (iv) Dispensing units are periodically calibrated and sealed by the Weights and Measure Department to ensure correct quantity and to avoid the tampering of the dispensing units.
- (v) Random sampling from Retail Outlets for testing at authorized laboratories.
- (vi) Installation of GPS to monitor movement of Tank Trucks carrying MS/ HSD.
- (vii) Sealing of Tank trucks before leaving Company premises to protect against pilferage / adulteration enroute. Tamper proof locking system has been introduced in tank trucks delivering petrol / diesel at Retail Outlets. A 3-tier sampling system is followed to help ascertain the point where adulteration could have taken place.
- (viii) Automation of all active Retail Outlets to capture the data for better monitoring of RO operations. OMCs have completed automation at 80471 Retail Outlets out of total 84882 Retail Outlets as on 31.12.2024.

Annexure referred to in reply to part (b) of Rajya Sabha Unstarred Question No. 779 asked by Shri Sanjay Kumar Jha for answer on 10.02.2025 regarding “Irregularities at retail outlets of various OMCs”

S. No.	State/UT	No. of ROs terminated on account of violation of rules/guidelines and irregularities or malpractices including adulteration of petroleum products			
		IOCL	BPCL	HPCL	OMCs
1	Andhra Pradesh	2	4	2	8
2	Assam	2	2	0	4
3	Bihar	2	4	2	8
4	Chhattisgarh	0	1	0	1
5	Gujarat	0	3	4	7
6	Haryana	2	1	1	4
7	Jammu & Kashmir	0	0	1	1
8	Karnataka	2	1	0	3
9	Kerala	1	0	0	1
10	Madhya Pradesh	7	1	2	10
11	Maharashtra	0	2	0	2
12	Odisha	0	2	0	2
13	Punjab	7	2	5	14
14	Rajasthan	14	1	3	18
15	Tamil Nadu	0	1	1	2
16	Telangana	1	2	0	3
17	Uttar Pradesh	10	4	4	18
18	Uttarakhand	1	0	0	1
19	West Bengal	4	5	0	9
	Total	55	36	25	116
