

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

STARRED QUESTION NO:385
ANSWERED ON:22.04.2010
IRREGULAR PRACTICES BY LPG DISTRIBUTORS
Guddu Shri Premchandra

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

- (a) whether the consumers are encouraged /compelled by the gas agencies to buy other items on taking new domestic LPG connection;
- (b) if so, the details thereof;
- (c) whether cases of compulsory / forced purchase by consumers have been received in this regard; and
- (d) if so, the details thereof and the action taken by the Government thereon?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.385 BY SHRI PREMCHAND (GUDDU) TO BE ANSWERED ON 22-04-2010 REGARDING IRREGULAR PRACTICES BY LPG DISTRIBUTORS.

(a) & (b): Public Sector Oil Marketing Companies (OMCs) have reported that in order to enhance customer service, add value to their customers and to provide safe and reliable products of assured quality, they are allowing their LPG distributors to sell products such as Fuel efficient LPG Stoves, Suraksha LPG hoses, Flame retardant kitchen aprons, Portable Fire extinguishers, Kitchenware (such as Pressure cookers, non stick kitchenware, Induction cookers etc.), Flame type LP Gas lighters and also leading brands of kitchen/household items. This business initiative has been named as "Non Fuel Business activity" by Indian Oil Corporation Limited (IOCL), "Beyond LPG" by Bharat Petroleum Corporation Limited (BPCL) and "Allied Retail Business" by Hindustan Petroleum Corporation Limited (HPCL).

There is no compulsion on the customers to buy LPG stove of any brand or any other items from LPG distributors. The customers are at their liberty to buy LPG Stoves from any source of their choice. Customers are being informed of this through advertisements in print and electronic media, besides incorporating the above message on LPG refill cash memos as well as intimation letters to prospective customers.

(c) & (d): Whenever OMCs receive complaint on forced sale of any product / hotplate to the consumers at the time of releasing of new connection, these are investigated. If the complaints is established, action is taken against the erring LPG distributor in accordance with the provisions of the Marketing Discipline Guidelines (MDG).

OMCs have reported that based on the established complaints of forced sale of any product other than LPG by their LPG distributors, action has been taken in 9 cases in the country during the period between April, 2009 to February, 2010 as per provisions of MDG / Distributorship Agreement.