

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

STARRED QUESTION NO:203
ANSWERED ON:03.12.2009
MARKETING STRATEGY BY OMCS
Meghe Shri Datta Raghobaji

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

- (a) whether the public sector oil marketing companies (OMCs) have decided to adopt a common marketing strategy keeping in view the convenience of the consumers particularly for those who are residing outside the metropolitan cities;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the time by which this strategy is likely to be implemented by the public sector oil companies across the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURALI DEORA)

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

Statement referred to in reply to Parts (a) to (c) of Lok Sabha Starred Question No. 203 for 3.12.2009 regarding Marketing Strategy by OMCs.

(a) to (d): Public sector oil marketing companies (OMCs), viz., Indian Oil Corporation Limited (IOC), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) set up Retail Outlet (RO) dealerships / Liquefied Petroleum Gas (LPG) distributorships / Superior Kerosene Oil (SKO) dealerships at various locations based on economic feasibility of the locations. Locations found to be economically viable after conducting feasibility studies are rostered in their marketing plan by respective OMCs. These marketing plans cover the entire country, including metropolitan cities and non-metropolitan areas.

For RO dealerships, each OMC has its own separate marketing plan and they enjoy sufficient autonomy so as to enable them to compete amongst themselves and also with the private oil companies, which were given marketing rights subsequent to dismantling of Administered Pricing Mechanism (APM) in 2002.

For the conveniences of customers, especially for those residing in non-metropolitan areas, OMC have been setting up of low cost rural ROs, in addition to the regular ROs, to cater to rural / agricultural market in order to reach petroleum products, predominantly diesel, and non-fuel products (seeds, fertilizers, pesticides, etc.) at the Kisan's doorstep. Further, with a view to increase LPG penetration to cover low potential / rural areas, a new scheme called `Rajiv Gandhi Gramin LPG Vitrak Yojana` has been launched.

Various other measures taken by OMCs for the conveniences of customers include, (1) opening of ATM, Fast Food Counters, Convenience Stores, Ticket Booking, Money Transfer, Insurance Services, etc. at the ROs, (2) measures for ensuring the right quality and quantity of products at the RO by extensive use of the latest technology by

- (i) installation of Global Positioning System (GPS) for complete monitoring of the movement of all the tank trucks,
- (ii) automation of retail outlets to monitor various activities in the high selling ROs,
- (iii) third party certification of ROs, (3) introduction of SMS booking / LPG stoves with thermal efficiency ratings for LPG customers (4) pilot projects on desired time delivery / anti theft device / multi function regulators for LPG customers, etc.