

LOK SABHA
UNSTARRED QUESTION NO. 2676
TO BE ANSWERED ON 17th MARCH, 2022

Non-Domestic LPG Dealers

2676. SHRI A. GANESHAMURTHI:

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) whether the Government/Oil companies have received grievances/ representations regarding the problems faced by Non-Domestic LPG Dealers NDNE dealers of Oil companies as the pandemic impacted their source of livelihood and facing tough competition with regular domestic LPG distributors;
- (b) if so, the details thereof and the response of the Government thereto;
- (c) the justification of sale of commercial LPG cylinders through regular domestic distributors, when NDNE dealers are appointed exclusively for this purpose;
- (d) whether the Government is considering to stop regular domestic dealers from distributing LPG to industries and companies which is the job of the NDNE dealers; and
- (e) if so, the time by which it would be implemented and if not, the reason therefor?

ANSWER

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय में राज्य मंत्री (श्री रामेश्वर तेली)

MINISTER OF STATE IN MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI RAMESWAR TELI)

(a) & (b) Sale of non-domestic LPG is purely a commercial activity and is not within the purview of the government. In addition to domestic LPG distributors, based on market potential, Public sector Oil Marketing Companies (OMCs) appoint dedicated Non Domestic Non Exempted (NDNE) distributors for sale of non-domestic LPG. OMCs have reported that they have been approached by some NDNE distributors with various demands which inter alia include :

- Allowing NDNE Retailers to market Domestic LPG.
- To stop regular LPG Distributors from selling Non Domestic LPG cylinders.
- Same incentive to all Distributors & NDNE Retailers irrespective of their sales volume.

However, the above requests from NDNE distributors are not in line with the terms of their appointment as NDNE distributors are envisaged to sell only Non Domestic LPG cylinders.

(c) OMCs have reported that commercial LPG business is a highly competitive business with the presence of private LPG marketers and the customer has option to choose any supplier. In certain markets, a dedicated distributor for commercial LPG business is necessary to focus on this segment and compete effectively.

(d) & (e) No such proposal is under consideration of the Government.