

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

UNSTARRED QUESTION NO:1662

ANSWERED ON:31.07.2003

GUIDELINES FOR TERMINATION OF LPG DISTRIBUTORSHIPS AND RETAIL OUTLETS

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

- (a) the procedural guidelines for termination of LPG distributorships and retail outlets of OMC`s in the country in terms of MDG-2001 issued by Government ;
- (b) whether OMC`s take into account the malpractices committed by distributors / dealers before implementation of aforesaid guidelines, while deciding about the penalty on them ; (
- (c) if so, the details thereof ;
- (d) whether the above guidelines are uniformly implemented by OMC`s throughout the country ; and
- (e) if not, the reasons therefor ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRIMATI SUMITRA MAHAJAN)

- (a) Marketing Discipline Guidelines (MDG) issued by the Government in April, 2001 provides for the termination of LPG distributors and Retail Outlets as under :-
 - (i) In case of LPG distributors, at 3rd instance in case of established major irregularities and 4th instance in case of established minor irregularities given in MDG, 2001.
 - (ii) In case of Retail Outlets, at 2nd or 3rd instance in most of the cases depending upon the nature of irregularities given in MDG, 2001.
- (b) & (c) : On establishment of any malpractice/irregularity at LPG distributorships, OMCs, while taking penal action under MDG, 2001, are supposed not to take past irregularities into account. In case of Retail Outlets, however, OMCs are reckoning the irregularities committed in preceding 5 years from the date of detection of irregularity for establishing 1st / 2nd / 3rd irregularity.
- (d) & (e) : OMCs are required to implement the MDG uniformly throughout the country.