

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

UNSTARRED QUESTION NO:2132  
ANSWERED ON:22.07.2004  
DISCOUNT FOR SALE OF LUBE OIL  
Patasani Dr. (Prof.) Prasanna Kumar

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

- (a) whether the Government is aware that dealers and stockists of IBP are given different discounts for sale of Lube Oil to consumers;
- (b) if so, whether dealers face difficulty in sale of Lube Oil in market vis-À-vis stockists;
- (c) whether Retail Outlets of IBP are forced to lift huge quantity of Lube Oil for sale, every year ;
- (d) whether sale of Lube Oil by a R.O. is linked with sale of MS/HSD and if not the policy of company ;
- (e) whether the Government propose to rectify the above policy of the company ; and
- (f) if so, the details thereof ?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ ( SHRI MANI SHANKAR AIYAR )

- (a) : IBP follows a differential pricing structure for Retail Outlet (RO) and Bazar Trade mainly to compete with private companies.
- (b) : The customer base for dealers and stockists for sale of Lube Oil being different, no difficulty is faced by dealers in sale of Lube Oil vis-À-vis stockists.
- (c) : No, Sir. IBP expects its dealers to do normal business giving the customers a single point service for all the requirements of fuel and lubricants.
- (d) : The sale of Lube Oil is based on MS/HSD sales of retail outlet, keeping in view the type of vehicles & the trading area of the outlet.
- (e) & (f) : Company reviews the policy from time to time especially in view of the severe competition faced by its dealers / stockists from private companies.