

“Parallel Marketing System of LPG”

Issued in public interest by Ministry of Petroleum and Natural Gas, Government of India

In addition to Government oil companies, private parties can also market Liquefied Petroleum Gas(LPG) in the country by operating as parallel marketeers of LPG subject to their fulfilling the conditions prescribed in the LPG (Regulation of Supply and Distribution) Order, 2000 and complying with provisions of various other Acts and Orders as applicable. It has come to the knowledge of MoPNG that a few unscrupulous private parties are operating in contravention to Acts and Orders applicable for their operations as parallel marketeers.

Accordingly in the general interest of the public, the following points are informed:

- a) Ministry of Petroleum and Natural Gas (MOPNG) does not issue any license to any private party for operating as a parallel marketer.
- b) Private parties are required to obtain and periodically renew rating certificate from any of the four rating agencies mentioned in the LPG (Regulation of Supply and Distribution) Order, 2000. These rating agencies award the rating on four scales namely Good, Satisfactory, Low Risk and High Risk. The rating awarded is an Indicative measure of the party's capability to carry out the business.
- c) A number of parallel marketeers may be selling LPG/Auto LPG to end users without valid rating certificate. It may be noted that the parallel marketeers are required to indicate their rating in words i.e. Good, Satisfactory, Low Risk and High Risk, whichever is applicable, on any advertisement in newspaper, pamphlet, handout, leaflet etc. and also prominently publish the rating certificate, as given by the rating agency.
- d) MOPNG does not have any role to play in case of violation by any parallel marketer of its obligation under commercial contract signed between it and its distributor/customer. Further MOPNG is not responsible in any way for any amount paid by any individual to any parallel marketer of LPG or its distributor for any reason whatsoever.

This notice is published to enable the general public to take an informed decision regarding parallel marketing of LPG and be wary of false promises made, if any, by a parallel marketer.