

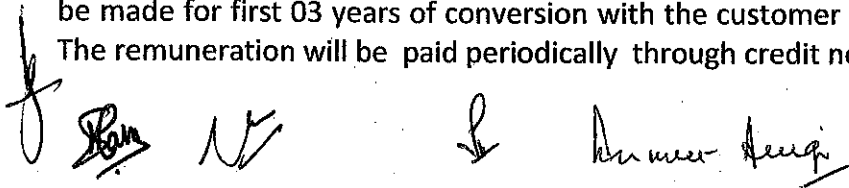
**Minutes-of Meeting of OMCs on ND Packed LPG Discount Policy – 15.12.2017**

1. In order to make level playing field for all the distributors, it is proposed to provide discount / incentive on incremental volumes of NDNE Packed LPG. The incentive / discount slab and sample calculation as proposed as under:

S.No.	Monthly Sales ( 19 Kg or equivalent) in nos	Discount Rs. /Cyl	Maximum applicable Incentive/ Discount in Rs
1	Up to 100	0	100X0
2	101 to 250	10	100X0+150X10
3	251-500	20	100X0+150X10+250x20
4	501-1000	30	100X0+150X10+250x20+500x30
5	1001-2500	40	100X0+150X10+250x20+500x30+1500x40
6	2501-5000	50	As per S No. 5 + 2500x50
7	5001-7500	60	As per S No. 6+ 2500x60.
8	7501 and above	75	As per S No. 7 + 75 x volume more than 7500.

The above slab of maximum discount/ incentive will be applicable for all markets and will be applicable from 1<sup>st</sup> January 2018. The above calculations are for 19 Kg cylinders. For other package size, equivalent to 19 Kg shall prevail.

2. Notwithstanding above in certain markets due to competition from private players , if more incentive/ discounts are required to be passed on, the slabs will be reviewed on case to case basis at Field level amongst OMCs and require approval from OMC HQ level before implementation.
3. Incentives and discounts will be applicable to all channel partners and direct customers. Maximum incentive/ discount in any slab should include cost of credit, delivery charges credit note etc. Also OMCs will not resort issuing free NDNE LPG under promotional schemes.
4. In order to promote conversions, it is proposed to provide additional remuneration of Rs 1/- per Kg to all channel partners and direct customers, where the investment for infrastructure has been made by them. To avail this remuneration an agreement shall be made for first 03 years of conversion with the customer and OMC/ Channel partner. The remuneration will be paid periodically through credit note.



5. Long term agreement with direct customers already executed before 01/12/2017, will be valid till the expiry of the agreement.
6. Discount/ Incentive slabs will be uniformly applicable to all kinds of channel partners and direct customers on the basis monthly volume.
7. All above Discount/ Incentive and remuneration will be before GST.
8. Issuance of Deposit free cylinder is not part of the above scheme.
9. With the above proposed discount/ incentive, OMCs will ensure that the per Kg rate of gate price of NDNE LPG will never go below the gate price of Non Subsidised Domestic LPG. <sup>including remuneration for conversions</sup> *Sathish*



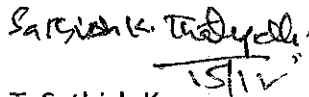
S.K.Rath  
CM (LPG- Strategies) IOC



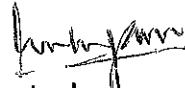
Mohit Dhawan  
DGM(LPG-S) HPC



Shankar Sharan  
GM (LPG-Strategies) IOC



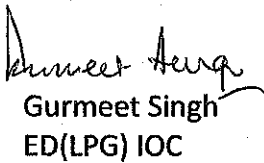
T. Sathish Kumar  
CGM(LPG-S) IOC



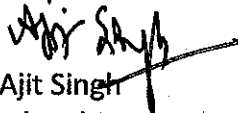
S. Mustyalwar  
CGM(LPG-S&M) HPC



Suresh Nair  
CGM(LPG-S) BPC



Gurmeet Singh  
ED(LPG) IOC



Ajit Singh  
ED(LPG) HPC



R.P. Natekar  
ED(LPG) BPC