



It is an extraordinary achievement to serve 2.7 million clients each day and count some 155 million as registered customers. To add to these amazing numbers is the fact that more than 10 million are being added every year. This is the Indane territory; a place where it commands a market share of more than 48%. This giant, IndianOil-owned brand started life over 50 years ago in a milieu where people looked at LPG with fear and suspicion. Today, they simply can't do without it.

**Market**

It is oil and gas that drives the world's economy substantially. But closer to home and hearth it is the latter that takes precedence. Powered by high thermal efficiency and emitting no contaminants, gas is safe, available in abundance and the primary source of cooking in tens of millions of homes across the world. In India the supply of cooking gas is undertaken by the three public sector oil marketing companies.

As in all parts of the world, the market for gas is divided into the domestic and commercial segments and in a slightly different specification, into the auto subset as well. Partly because of the shortage of electricity, the market for liquefied petroleum gas (LPG) in India is somewhat skewed: more than 87% being consumed by the domestic sector comprising about 276 million consumers.

(MMTPA), of which Indane commandeered a share of 10.42 MMTPA.

**Achievements**

Nature is a gigantic industrial unit with hundreds of trillions of tonnes of natural resources. But when it comes to fuels she has been partial, harbouring not one but three basic alternatives. The solid and liquid fuels, not quite as abundant as gas, are usually heavy duty contaminants, spewing vast quantities of noxious gases into the atmosphere. LPG, refined from natural gas, is not just a Green fuel, it is also economical, offers a higher calorific value and is easier to handle.

implemented an in-house software package – Indsoft at most Indane distributorships across the country. This has immensely benefited them in improving their operational efficiency as also the working of field sales units.

**History**

The history of LPG in India can be traced to its marketing operations that commenced back in 1955 at Mumbai, under the Burmah Shell Oil Company. It was a small, exclusive business then with distribution restricted to a handful of upmarket homes. It wasn't till IndianOil took charge that LPG actually became a flourishing and recognisable industry.

Each day, the Indane distribution network delivers nearly **2.7 MILLION** cylinders to urban and rural markets



Of these, 130 million active customers are serviced by Indane – India's largest brand of LPG and one of IndianOil's main business verticals. Serving this gigantic market is a dedicated network of more than 12,300 Indane distributors delivering it in five different packages – 14.2 kg for domestic consumers, 5 kg for small domestic, commercial customers and in free trade for those customers on the move or with flexible requirements; 19 kg, 47.5 kg, and 425 kg cylinders for industrial and large commercial clients. For businesses that require a continuous supply of large volumes, Indane is supplied in bulk.

In this huge market, IndianOil is by far the leader, enjoying a share of 48% in the domestic sector and 47% in the overall Indian LPG segment. (Source: internal data and estimates). The total domestic LPG market in 2018-19 is of the order 21.72 million metric tonnes per annum

IndianOil operates 93 upcountry LPG bottling plants equipped with state-of-the-art facilities and top-of-the-line safety features. So severe is the control and so safe are the systems that Indane bottling plants have been regularly awarded for safety. The Ministry of Labour and other administrative bodies such as the National Safety Council and its state chapters and the Oil Industry Safety Directorate, amongst others, have felicitated the company for accident-free operations. Each year, several Indane bottling plants also win National Safety awards instituted by DGFASLI (Directorate General, Factory Advice Service and Labour Institutes).

However, while safety is a concern that has been adequately addressed, distribution is seen as the other area of focus. To ensure complete transparency and improve the distributor monitoring system, IndianOil has successfully

Brand Indane commenced marketing operations in 1965 simultaneously in Kolkata and Patna, bringing modern cooking to Indian kitchens. The project had modest beginnings. Initially, people couldn't accept the concept of having a volatile fuel sitting in their kitchens. Bottled LPG cylinders were perceived as unsafe and a potential hazard. For IndianOil, it was a hard ask to break through this psychological barrier. But when it eventually did, the flood gates opened and millions sought to abandon the smoky, unhealthy chullah and sigdi for the smoke-free, safe, reliable, clean and convenient gas.

However, till 1978, the growth of Indane was restricted because of production constraints. Synchronising additional product availability from the expansion of refineries, setting up of extraction plants for obtaining LPG from natural gas and the addition of fluid catalytic cracking units

(FCCU) took time. Large-scale expansion of LPG marketing was undertaken by the industry once these initial hurdles were overcome. Today, of course, with a customer base of 130 million active customers and more than 10 million users being added each year, Indane has a compelling story to tell.

## Product

Liquefied petroleum gas is a mixture of lighter hydrocarbons, C3 and C4, which are in a gaseous state at ambient temperature and pressure but are liquefied when moderate pressure is applied at ambient temperature. Converting it into a liquid state addresses the concerns about storage, handling and transportation.

LPG is obtained by refining crude oil or by fractionation of natural gas. Butane and propane are its two main constituent hydrocarbons. Other gases present in trace quantities are iso-butane, butylenes, n-butane and propylene amongst others. LPG vapour is heavier than air; thus it normally settles down in low-lying places. Since LPG is highly combustible and only has a faded smell, Mercaptan is added to help in its detection, in case of leakage. In the event of an LPG leak, the vaporisation of liquid cools the atmosphere and condenses the water vapour contained in it to form a whitish fog, which is easy to detect. LPG in fairly large concentrations displaces oxygen leading to a nauseous or suffocating feeling.

Indane is one of the safest, most economical, eco-friendly cooking fuels and is in extensive use in a majority of urban and semi-urban households. Increasingly, too, it is finding use in rural communities. Besides domestic usage, Indane is also used as an efficient source of energy in various industrial and commercial applications such as metal cutting, kilns and furnaces, glass,



## EASY TO HANDLE. EASIER TO BUY.

Just show your ID proof to buy an Indane 5 kg LPG cylinder.\*

- No address proof required
- Safe: BIS-certified cylinder
- Reasonably priced
- Get a refill at any selling point

For more information, log on to [www.indane.co.in](http://www.indane.co.in)



textiles and automobiles, poultry, drying applications such as drying of tea leaves and roasting of nuts, in eco-friendly generators, radiant heating purposes etc.

Despite the fact that India produces large quantities of natural gas, the demand is so great that more than 50% of the LPG used in the country is imported. To facilitate this, an extensive import infrastructure has been developed by IndianOil. Capacity augmentation is currently



underway with two more import facilities, both in South India, under construction. One LPG terminal at Ennore has already been commissioned while the other at Cochin is under construction.

Indane sold to commercial and industrial segments is based on prices ruling in the

overcome geographical limitations, and the Durgam Kshetra Vittraks (DKVs) will specifically serve difficult terrains. This has led to LPG being easily available even in the remote parts of the country, thus reducing waiting time and queues, and resulted in hassle-free delivery of cylinders.

## Promotion

LPG is a highly combustible fuel. Therefore, education on its safe handling is the company's biggest priority. To constantly articulate aspects of safety and proper usage, IndianOil holds clinics at regular intervals. These are designed to educate users on better handling techniques, getting more out of their gas, conserving and avoiding wastage, and steps to take in case of an emergency.

Also large scale educational programmes through LPG Panchayats are being undertaken, which will drive home the health, environmental



international market and no subsidy is given. As a result, several private players also operate in this segment, making it a very competitive one.

## Recent Developments

Recognising the importance of LPG as a clean and affordable kitchen fuel, the Government of India has introduced the Prime Minister Ujjwala Yojana (PMUY), a scheme launched by Hon'ble Prime Minister, Mr. Narendra Modi in May 2016 at Balia, Uttar Pradesh, to provide support of ₹1,600 for each LPG connection to women from BPL households. ₹8,000 crore had been earmarked for initially providing 5

crore PMUY connections, which was subsequently revised to 8 crore connections in the Union Budget – 2018. The industry reached out to 8 crore PMUY customers by September 2019, well ahead of its scheduled deadline.

To cater to this increased demand, 5,800 new distributorships have been commissioned on an industry basis since 2017 and 1,200 more are to be commissioned in the near future. Further, LPG distributor network has been streamlined to

and convenience benefits of using this clean cooking fuel as opposed to other bio mass alternatives.

## Brand Values

Indane reaches LPG to the farthest corners of this country – from the freezing frontiers of Kashmir to the scorching deserts of Rajasthan and from the deep interiors of the North East to the verdant plains of the South.

In between its business interests, IndianOil, through its community development schemes, also undertakes social developmental programmes that help in improving education, hygiene and drinking water supply in rural and tribal areas.

## Things you didn't know about INDANE

- \* IndianOil is the world's second largest marketer of LPG globally
- \* Every second LPG cooking gas connection in India is from Indane
- \* Situated 3500 metres above sea level, the Indane bottling plant at Leh in Jammu & Kashmir is the highest LPG bottling plant in the world
- \* Each day, the Indane distribution network delivers nearly 2.7 million cylinders to urban and rural markets
- \* Of the 130 million active customers served by more than 12,300 Indane distributors, over 60% are in semi-urban and rural markets



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