Adulteration of Fuel

26th April, 2013

Shimla, (HP)
Adulteration: Definition & Source

Definition
Introduction of any foreign substance into MS or HSD illegally so that:

- MS does not conform to BIS specifications IS- 2796
- HSD does not conform to IS-1460

Likely Source of Adulteration

- During Transportation from Oil Company Terminal / Depot to Retail Outlets through Tank Truck(T/T)
- At Retail Outlets
When vehicles are operated using adulterated fuel, combustion process increases the emission level.

Use of adulterated fuels for longer duration may result in reduced engine life.
Adulteration: Reasons

- Price disparity: Differential in prices of MS and HSD, compared to SKO and other probable adulterants.

- Availability of solvents with easy miscibility and similar chemical characteristics.
Adulteration: Measures for prevention

Control Orders

- Govt. of India under the Essential Commodities Act, 1955 enacted various Control orders:
  - MS/HSD Control Order
  - To regulate the supply and availability of other potential adulterants following Control Orders have been issued:
    - Kerosene Control Order
    - Naphtha Control Order
    - Solvent Control Order

- Powers of search and seizure has been conferred on State Govt. officials / officers of Oil Marketing Cos. to conduct surprise checks.
Adulteration: Measures for prevention

**During Transportation**
- Tankers sealed before leaving Company premises.
- Tamper proof locking system
- GPS technology to monitor movement of Tank Trucks carrying MS/HSD.
- Vehicles Mounted Units (VMUs) installed in Tank Trucks (TT).
- Before decantation of TT Retail Outlet dealer compares challan density and actual density at the time of receipt.
- TT sample jointly signed by dealer and transporter retained.
- When RO samples are drawn, TT samples are also collected. If TT sample fails in Lab test then action against transporter as per Transport Discipline Guidelines (TDG) is taken.
Adulteration: Measures for prevention

At Retail Outlets

- Quarterly Inspection by Field Officers. Surprise inspection by Senior Officers.
- Inspection by officers of Anti Adulteration Cell, who are not under Marketing Division.
- In case of stock variation beyond permissible limits, density failure, filter paper test failure, suspected tampering of W&M seals and in case of specific complaint against the Retail Outlets, Company Officials draw samples and forward them for testing as per procedure.
- Samples of MS & HSD are drawn on random basis and sent for testing to authorized laboratories.
- Samples are also drawn by Industry Mobile labs on surprise basis.
At Retail Outlets (continued)

- In case adulteration at Retail Outlet is proved, penalty is termination as per MDG. (138 nos. of IOC Retail Outlets terminated during last five years on account of adulteration).

- Automation at Retail Outlets:
  - Monitor activities at Retail Outlets through latest technology.
  - Being done for Retail Outlets selling more than 200 KLS Per Month

- Third Party Certification of all Retail Outlets selling more than 100 KL per month.

- State Govt. Officials also carry out inspections as per MS/HSD Control Order 2005
Third party certification of Retail Outlets (TPC)

- All Ros selling more than 100 Kls per month are subject to certification by third party

- Under TPC, the main parameters being checked are
  - Quantity checks through 5 lt. measure
  - Quality through density checks
  - Customer Service
  - House keeping
MOP&NG directive, this cell has been created by each oil co.

AAC of IOC became operational effective May 2005.

AAC overseas and monitors activities in Retail Sales / SKO / LPG with reference to Marketing Discipline Guidelines.

Independent of marketing Function

Reporting to a Director other than Director (Marketing)

Surprise inspections are being carried out by this cell
• To prevent malpractices including adulteration Marketing Discipline Guidelines (MDG) approved by MOP&NG are in existence for over 25 years and revised time to time.
• MDG Provisions enforced by Oil Marketing Companies all over the country uniformly.
• MDG stipulates details of measures to be adopted in handling, storing, transporting and dispensing of Petroleum products by the concerned Oil Companies, transporters and the retail outlet dealers.
• MDG prescribes specific action against erring dealers in proven cases of malpractices / irregularities.
Penalties imposed only after giving opportunity to dealers to explain.

In case of proven adulteration, termination of dealership at the first instance.

Regular / Surprise inspections of retail outlets by Oil Company officials

Drawal and testing of samples by Officials

Inspection by Mobile Labs
Initiatives

- Blue dye for Kerosene

- **Creating awareness among general public**
  
  - Filter paper (for MS quality check), hydrometer (for MS/HSD density check) available at all Retail Outlets for use by customers. Availability of these equipments displayed at Retail Outlets.
  
  - Citizen Charter available on Corporation web site detailing procedure for checking quality and quantity at Retail Outlets.
Creating awareness among general public

- “Check & Fill” campaigns have been conducted wherein customers were invited to carry out quality and quantity checks. (Large number of customers had carried out checks during these campaigns).
- Boards displayed giving details and inviting customers to check the quality / quantity of MS/HSD at Retail Outlets
Grievance Redressal Mechanism

- Electronic Customer Feedback System (e-CFS) effective 27th October 2009: Customer can register their complaints / feedback through IOC Corporate Website, (www.iocl.com).

- Once a complaint is registered on the website it automatically goes to the concerned Officer of IOCL in Divisional /Area Office for further action.

- A reply sent to the customer by the concerned Office, upon redressal. Provision in the system enables customer to view the status of their complaints on the Corporate website.

- Complaints are generally redressed within 15 days of receipt.
THANK YOU