

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

UNSTARRED QUESTION NO:3173  
ANSWERED ON:06.09.2007  
LPG AGENCIES/PETROL PUMPS IN BIHAR  
Rajbhar Shri Chandra Dev Prasad

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

- (a) the number of LPG agencies and petrol pumps operating in Darbhanga, Bihar;
- (b) whether LPG agencies operating in Darbhanga are openly indulging in black marketing of domestic LPG cylinders;
- (c) if so, the details thereof; and
- (d) the action taken/being taken by the Government against the guilty gas agencies?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a): As on 1.8.2007, Public Sector Oil Marketing Companies (OMCs) are operating 7 LPG distributorships and 38 Retail outlets (R.Os) in Darbhanga, Bihar.

(b) & (c): No, Sir. OMCs have not reported any instance of black marketing of domestic LPG cylinders in Darbhanga in the last one year.

(d) Action against the erring distributors is taken in accordance with the provisions under the LPG Marketing Discipline Guidelines (MDG). In addition to the action taken by the OMCs under the MDG, State Governments are empowered to take action against illegal use of domestic LPG.

The following measures have been taken to prevent the diversion / black marketing of domestic LPG cylinders for commercial purposes :

(i) Under the LPG (Regulation of Supply and Distribution) Order, 2000 promulgated under the Essential Commodities Act, 1955 the diversion/black marketing of domestic LPG cylinders for commercial purposes by the distributors of OMCs is prohibited. The State Governments are empowered to take action against erring distributors under the provisions of this Order. The State Governments have been alerted from time to time to take steps against the diversion of domestic cylinders for unauthorized usage.

(ii) The officials of OMCs carry out random checks at distributors godown, delivery point, as well as en-route to ensure that no diversion/black marketing takes place. In terms of the MDG, in case of establishment of any diversion/black marketing of domestic LPG cylinder for commercial purposes, the following action is taken against the distributor :-

Fine of Rs. 20,000 plus the price of LPG diverted at commercial rates for 1st offence.

Fine of Rs. 50,000 plus the price of LPG diverted at commercial rates for 2nd offence, and

Termination of the distributorship for 3rd offence.

(iii) Government have issued advertisements cautioning the public that use of domestic LPG for non-domestic purposes is illegal, dangerous and against national interest. Through these advertisements, cooperation of the general public has also been sought to report any irregularity/malpractice to the OMCs.

(iv) Government have advised OMCs to introduce different colours for domestic & non-domestic cylinders. This is expected to help in controlling the diversion of domestic LPG for unauthorized use.