

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

UNSTARRED QUESTION NO:3450

ANSWERED ON:24.03.2005

DEMAND AND SUPPLY OF LPG

Joshi Shri Pralhad Venkatesh;Mehta Shri Bhubneshwar Prasad;Murmu Shri Hemlal

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

- (a) the details of the demand and supply of commercial, domestic and low income groups LPG cylinders alongwith subsidy rates thereof during each of the last three years, category-wise;
- (b) the total sale and marketing of 5 kg, LPG cylinders during each of the last three years, State-wise;
- (c) whether the Government is aware that the domestic LPG cylinders are being used for commercial purposes in the country;
- (d) if so, the number of such cases registered by the Government against distributors and consumers during each of the last three years, State-wise; and
- (e) the steps taken by the Government to check misuse of domestic LPG cylinders for commercial purposes?

**Answer**

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ ( SHRI MANI SHANKAR AIYAR )

(a) & (b) : The sale of LPG by Public Sector Oil Marketing Companies (OMCs) in different categories, i.e. domestic and commercial category, is given at Annexe-I. The estimated subsidy on 14.2 kg. domestic LPG cylinder was Rs. 115.63, Rs. 67.75 and Rs. 45.17 during the years 2001-02, 2002-03 and 2003-04 respectively. Further, during the year 2002-03 and 2003-04, in addition to the aforesaid Government subsidy, the OMCs suffered under recoveries of about Rs. 62.27 / cylinder and Rs. 89.54 / cylinder respectively.

(c) to (e) : The details of cases of established diversion of domestic LPG cylinders by the distributors of OMCs in different States during the last three years is given at Annexe-II. OMCs have taken the following measures to forestall the diversion of domestic cylinders to unauthorized purposes.

(i) Field officers have been advised to intensify surprise checks and inspections on LPG distributors / commercial establishments.

(ii) Supplies to LPG distributors are regulated in line with the customer population and per-capita consumption of that market based on last year's sale for the same month.

(iii) State Government authorities are requested to render assistance in curbing misuse of domestic LPG cylinders for commercial purposes.

(iv) Press advertisement are released regarding misuse of domestic LPG cylinders for commercial purposes.

(v) Action against erring distributors is taken in line with the Marketing Discipline Guidelines (MDG).

THE SALE OF LPG BY OMCs UNDER DIFFERENT CATEGORIES DURING THE LAST THREE YEARS.

(Figures in TMT)

Year Domestic Sale Commercial sale

14.2 kg. 5 kg. Non-domestic Bulk #  
cylinders cylinders cylinders

2001-02	7,122	0	107	81
2002-03	7,736	1	142	263
2003-04	8,771	4	105	199

# = excludes Auto LPG.

ANNEXE-II

STATE-WISE DETAILS OF CASES OF DIVERSION DOMESTIC LPG CYLINDERS DURING THE LAST THREE YEARS.

States 2001-02 2002-03 2003-04

Andhra Pradesh	-	-	1
Haryana	-	-	1
Himachal Pradesh	-	1	-
Karnataka	2	1	-
Kerala	2	-	-
Maharashtra	9	-	2
Rajasthan	4	-	-
Tamil Nadu	9	4	5
Uttar Pradesh	4	1	-
Delhi	2	-	1
West Bengal	-	-	1

TOTAL 32 7 11

During the period April-December, 2004, OMCs have detected 268 cases of diversion in the country.