

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

STARRED QUESTION NO:59

ANSWERED ON:25.02.2010

PILFERAGE OF LPG

Dubey Shri Nishikant ;Singh Shri Radha Mohan

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

- (a) whether the Government is aware of the cases of pilferage of gas from the LPG cylinders in various parts of the country before their supply to the customers;
- (b) if so, the details thereof;
- (c) the total number of such cases brought to the notice of the Government during each of the last three years and the current year; and
- (d) the measures being taken to curb such malpractices including action taken against the guilty LPG distributors ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 59 BY SHRI RADHA MOHAN SINGH AND SHRI NISHIKANT DUBEY TO BE ANSWERED ON 25m FEBRUARY, 2010 REGARDING PILFERAGE OF LPG.

(a) to (d): Oil Marketing Companies (OMCs) have reported that based on the established complaints of supply of partially used cylinders / under-weight cylinders/ pilfering product from LPG cylinders, action has been taken in 172 cases in the country during the last three years and between April and December, 2009 under the provisions of MDG / Distributorship Agreement. The year-wise details are as under:-

Year Established cases

2006-07 29

2007-08 59

2008-09 56

2009-10 28

(upto
December,
2009)

TOTAL 172

Surprise Quality Control Checks which include weighing of cylinders, are carried out at the distributor godowns and weight checking of filled cylinders in transit is being done by the field officers to check pilferage/presence of any underweight cylinders. The distributors have also been instructed to satisfy the customers about the correct weight of cylinders by weighing them, to ensure that the seals are verified & shown to the customers at the time of delivery. In case any under-weight cylinder is received by the customer, such cylinders are replaced free of charge by the OMCs. Industry has also invited a Global Expression of Interest for development of an Anti

Pilferage Device.

Government has enacted `Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000` and formulated `Marketing Discipline Guidelines, 2001` which provide for penal action against erring LPG distributors. Accordingly, MDG, 2001 were issued and made effective from 12.04.2001 to take action against erring distributors for serious malpractices like diversion of domestic LPG cylinder for non-domestic use, recovery of unauthorized charges from customers, supply of underweight cylinders, etc.

MDG , 2001 provides inter-alia following action against erring LPG distributors for major offences :

- # 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.
- # Termination of the distributorship for 3rd offence.

In addition to the action taken by the OMCs, State Governments are also empowered to take action under the LPG (Regulation of Supply & Distribution) Order, 2000. Similarly, the Weights and Measures Departments of the States / UTs initiate legal action against those LPG distributors found supplying under-weight LPG cylinders.