

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

STARRED QUESTION NO:79
ANSWERED ON:04.08.2011
BLACKMARKETING OF KEROSENE AND LPG
Mahajan Smt. Sumitra;Sinh Dr. Sanjay

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

- (a) whether cases of alleged blackmarketing of kerosene and Liquefied Petroleum Gas (LPG) has come to the notice of the Government;
- (b) if so, the details of such cases reported during the last three years and the current year;
- (c) whether any nexus between the oil companies and oil mafia in blackmarketing of kerosene and LPG has come to the notice of the Government;
- (d) if so, the details in this regard for the last three years,State-wise;and
- (e) the action taken by the Government against those officers responsible for the same and to prevent occurrence of such cases in future?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI S. JAIPAL REDDY)

(a) to (e): A statement is laid on the table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 79 for 4th August, 2011 asked by Dr. Sanjay Sinh and Shrimati Sumitra Mahajan regarding Blackmarketing of Kerosene and LPG.

(a): The possibility of black marketing of PDS Kerosene and domestic Liquefied Petroleum Gas (LPG) by some unscrupulous elements to derive monetary benefit cannot be ruled out due to huge price difference between PDS Kerosene and petrol/diesel as well as wide gap between the retail price of LPG for domestic use and the market price for commercial LPG.

(b): PDS Kerosene supplies to Kerosene Dealers are done on Ex-MI (Marketing Installation) basis by Public Sector Oil Marketing Companies (OMCs). Further Distribution of PDS kerosene within the State to the ration card holders through ration shops/retailers is controlled by the State Government. The State Civil Supplies Authorities carry out inspection at Kerosene dealers to ensure that the product uplifted is delivered to the fair price shops and to the intended beneficiaries. Public Sector OMCs have reported that based on the advice of respective District/State Authorities, 137 cases of irregularities like pilferage, adulteration and black marketing of PDS kerosene were detected during the last three years and current year (April-June,2011). During this period, 12 kerosene dealers were terminated against proven cases of diversion/black marketing of kerosene.

Further, Public Sector OMCs have reported that 452 established cases of black marketing of LPG were detected during the last three years and current year (April-June, 2011). In all established cases of black marketing/pilferage or any other malpractices, action is taken against the erring distributors as per Marketing Discipline Guidelines/LPG Distributorship Agreements.

(c) & (d): There are no established cases of any nexus between the officials of Public Sector OMCs and Oil Mafia in black marketing of kerosene and LPG during the last three years and in the current year (April-June, 2011).

(e): Does not arise, in view of the (c) & (d) above.