

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

UNSTARRED QUESTION NO:5808  
ANSWERED ON:08.09.2011  
FUEL ADULTERATION  
Swamygowda Shri N Cheluvarya Swamy

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

- (a) whether the Union Government is losing crores of rupees every year due to fuel adulteration;
- (b) if so, the details and facts thereof;
- (c) whether the Government has drawn any comprehensive plan to train the officers of the Regional Anti-Adulteration Cell;
- (d) if so, the details thereof; and;
- (e) the steps being taken to check and avert such losses?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH)

(a) & (b): Possibility of adulteration of Petrol/Diesel by some unscrupulous elements cannot be ruled out due to huge price difference between Petrol/Diesel, and the easy miscibility of adulterants with Petrol/Diesel. According to a study carried out by the National Council for Applied Economic Research (NCAER) in 2005, the total leakage/diversion of Kerosene meant for distribution under Public Distribution System (PDS) was estimated at 38.6%.

(c) & (d): With a view to strengthen the anti-adulteration activities and as advised by the Government, Public Sector Oil Marketing Companies (OMCs) have set up an Anti-Adulteration Cell (AAC) for overseeing and monitoring all activities and operations to curb adulteration. This wing, in addition to the regular quality control inspections of the retail outlets and reports to a Director other than Director (Marketing) of the company.

(e): To check various irregularities/ malpractices like adulteration, diversion etc. of Petroleum products, the Government has taken a number of initiatives viz. automation of retail outlets, third party certification of retail outlets, monitoring of movement of tank trucks through Global Positioning System (GPS), etc.

Public Sector Oil Marketing Companies (OMCs) also undertake regular and surprise inspections of Retail Outlets and take action under Marketing Discipline Guidelines (MDG) and Dealership Agreements against those indulging in adulteration and malpractices. MDG provides for termination of dealership in the first instance itself for serious malpractices like adulteration, tampering of seals, and unauthorized fittings/gears in dispensing units.