

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

STARRED QUESTION NO:160  
ANSWERED ON:01.12.2011  
COMPLAINTS AGAINST GAS AGENCIES  
Choudhary Shri Harish;Shariq Shri Sharief Ud Din

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

- (a) the mechanism available to check black marketing of domestic Liquefied Petroleum Gas (LPG) ;
- (b) the number of complaints received by the Oil Marketing Companies (OMCs) against the LPG distributors in this regard during the last three years ;
- (c) the number of raids conducted during the above period to unearth black marketing of LPG, State-wise ;
- (d) the action taken by the Government against the distributors found involved therein; and
- (e) the steps taken/being taken to prevent black marketing of domestic LPG ?

**Answer**

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 160 BY SHRI S. D. SHARIQ AND SHRI HARISH CHAUDHARY TO BE ANSWERED ON 1ST DECEMBER, 2011 REGARDING COMPLAINTS AGAINST GAS AGENCIES.

(a): To check on blackmarketing of LPG, Public Sector Oil Marketing Companies (OMCs) carry out regular surprise inspections at distributors' premises, conduct refill audits, surprise checks at customers' premises, en-route checking of delivery vehicles etc. If LPG distributors are found guilty, action is taken in accordance with the provisions of the Marketing Discipline Guidelines (MDG).

(b) to (d): During the last three years and the period April 2011 to September 2011, 15,927 raids were conducted on commercial establishments in which 86,485 domestic LPG cylinders were seized. The year-wise/State-wise details are at Annexure. Based on the established complaints of blackmarketing of LPG, action has been taken in 641 cases against the erring LPG distributors during the said period, under the provisions of MDG.

(e): In order to check blackmarketing/ diversion of domestic LPG cylinders, the Government has brought out the "Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000" and formulated "Marketing Discipline Guidelines, 2001" which provide for penal action against LPG distributors indulging in blackmarketing/ diversion of LPG.

MDG inter-alia provide for following action against an errant 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.

# Termination of the distributorship for 3rd offence.

In addition to the action taken by the OMCs, State Governments are empowered under the LPG (Regulation of Supply & Distribution) Order, 2000 promulgated under the Essential Commodities Act 1955, to take action against blackmarketing/diversion of domestic LPG.

Further, to stop misuse of domestic LPG by sourcing LPG through multiple connections in a household, OMCs are identifying multiple connections in the same name and/or same address by a software based de-duplication process.