

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

UNSTARRED QUESTION NO:4598
ANSWERED ON:21.02.2014
LPG CYLINDERS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Oil Marketing Companies (OMCs) supply Liquefied Petroleum Gas (LPG) cylinders to consumers for being used during marriage ceremonies and other functions;
- (b) if so, the details thereof and the price of such LPG cylinders along with the procedure adopted in this regard to ensure that such cylinders are not used for commercial or business purposes;
- (c) whether LPG distributors in National Capital Territory of Delhi are involved in black-marketing of domestic LPG cylinders and supply them to consumers for marriage purposes at a very high rate;
- (d) if so, the details thereof and the number of such reported cases during the last three years and the current year, year-wise; and
- (e) the action taken by the Government against such distributors ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT PANABAAKA LAKSHMI)

(a) & (b) : Public Sector Oil Marketing Companies (OMCs) have reported that they supply non domestic LPG cylinders to customers for commercial use including usage during marriage ceremonies and other functions.

OMCs have introduced different colours/size for domestic and non-domestic LPG cylinders for controlling malpractice/ irregularities in the supply of domestic LPG for unauthorized use. LPG for non-domestic use is sold in 5 kg, 19 kg, 35 kg & 47.5 kg cylinders and these cylinders are easily identifiable by size and colour (oxford blue/ bus green colour). Domestic LPG cylinders are sold in 5 kg & 14.2 kg red coloured cylinders.

The price of non domestic cylinders is declared by OMCs at periodical intervals (mostly on monthly basis) based on the Import Parity of LPG. On receipt of requests from customers, the distributors issue temporary NDNE connections to such customers through subscription vouchers against prevailing security deposit amount. On surrender of the equipment, the deposit is refunded to the customers.

(c) to (e) : The possibility of malpractice/ irregularities in subsidized domestic LPG cylinders by some unscrupulous elements cannot be ruled out due to the lower retail price of subsidized LPG for domestic use vis a vis the market price for commercial LPG. Public Sector Oil Marketing Companies (OMCs) are always on vigil and take action to stop the black marketing of cylinders.

To keep a check on malpractices by LPG distributors, OMCs carry regular surprise inspections at distributors premises, conduct refill audits, surprise checks at customers premises, en-route checking of delivery vehicles etc.

Details of the established cases of diversion of LPG cylinders in the National Capital Region of Delhi during the last 3 years and the period from April-Dec' 2013 is as under :-

Period	Number of established cases of diversion
2010-11	2
2011-12	23
2012-13	34
Apr-Dec'2013	13

In all established cases of diversion action has been taken against the erring LPG distributor as per the provisions of the Marketing Discipline Guidelines (MDG).