

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

UNSTARRED QUESTION NO:1140  
ANSWERED ON:26.11.2009  
USE OF LPG IN AUTOMOBILES  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether the Government is taking steps to check use of LPG in other commercial sectors including automobiles; and  
(b) if so, the details thereof ?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) & (b) : Government have been encouraging use of LPG for various commercial activities, industrial use and also auto LPG for running automobiles. However, only imported or import-substituted LPG is to be used for commercial/auto LPG and is priced at higher level compared to domestic LPG which is meant for domestic use.

The following measures have been taken to prevent the diversion of domestic LPG cylinders for non-domestic purposes, including automobiles :

(i) Under the LPG (Regulation of Supply and Distribution) Order, 2000 promulgated under the Essential Commodities Act, 1955, the diversion / black marketing of domestic LPG cylinders for commercial purposes by the distributors of OMCs is prohibited.

(ii) The officials of OMCs carry out random checks at distributors godown, delivery point, as well as en-route to ensure that no diversion / black marketing takes place. In terms of the MDG, in case of establishment of any diversion of domestic LPG cylinder for commercial purposes, the following action is taken against the 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, and

# Termination of the distributorship for 3rd offence.