

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

UNSTARRED QUESTION NO:2627

ANSWERED ON:28.07.2014

BLACK MARKETING OF LPG CYLINDERS

Chavan Shri Harishchandra Deoram; Joshi Shri Pralhad Venkatesh; Noor Smt. Mausam

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

- (a) whether the Government/Oil Marketing Companies (OMCs) have noticed that black marketing of domestic LPG cylinders to commercial establishments like hotel and restaurants is in vogue in the country;
- (b) if so, whether the Government has conducted any flash raids at LPG distribution agencies and their godown to curb this malpractice and if so, the details thereof, State-wise;
- (c) the number of persons/ distributors found to be involved in the irregularities and the action taken by the Government thereon, State/OMC-wise;
- (d) whether the Government has noticed that gas agencies have failed to provide home delivery of the gas cylinders to the consumers particularly in rural areas of the country;
- (e) if so, the details thereof along with the action taken by OMCs on the complaints received from various consumers in the country, OMC/State-wise; and
- (f) the concrete steps taken/ proposed to be taken by the government to curb the sale of dubious refills cylinders in the country and to provide clean cooking fuel to consumers, OMC-wise ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) to (c) & (f) : 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) have reported that regular/surprise inspection are carried out by their Field Officers, Anti Adulteration Cell and Vigilance Department at LPG godowns and showrooms of LPG distributorships. State/OMC-wise details of inspections done during last three years and the period upto May 2014 is at Annexure I.

Moreover, OMCs are always on vigil to prevent and take action against black marketing of cylinders. OMCs also carry 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 of any malpractice, punitive action is taken in accordance with the provisions of the Marketing Discipline Guidelines (MDG).

Various initiatives have been taken by the Government viz. capping on supply of subsidized cylinders, de-duplication, introduction of Transparency Portal, KYC exercise etc. which have reduced the misuse and diversion of subsidized LPG cylinders.

State/UT/OMC-wise details of established cases of irregularities by LPG distributors during the period April-May 2014 is at Annexure II.

In all established cases action is taken in accordance with the provisions of the Marketing Discipline Guidelines (MDG).

(d) & (e) : OMCs have noticed some cases of non home delivery of LPG cylinders to the customers including rural areas. State/UT/OMC-wise details of established cases of non home delivery by the LPG distributors of OMCs during the last year and the period from April-May 2014 is at Annexure III. In all established cases action is taken in accordance with the provisions of the Marketing Discipline Guidelines (MDG).