

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

UNSTARRED QUESTION NO:298
ANSWERED ON:24.11.2005
SHORTAGE OF LPG CYLINDERS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether there was an acute shortage of Liquefied Petroleum Gas (LPG) cylinders in October, 2005 and the consumers faced a great hardship because of diversion of gas for sale in the black market at an exorbitant rate ;
- (b) if so, whether any probe was made to find out the real facts ;
- (c) if not, the reasons therefor ;
- (d) whether the matter was taken up with the Public Sector Oil Companies for thorough investigation of the matter ;
- (e) if so, the outcome thereof ; and
- (f) the action taken / proposed to be taken against the gas agencies which indulge in these malpractices to the detriment of the consumers ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (f) : Some shortages in LPG supplies have emerged since September 2005, largely on account of shutdown of Reliance Industries Limited (RIL)'s Refinery and non-materialization of some additional LPG imports planned by Public Sector Oil Marketing Companies (OMCs). The position is being closely monitored by the Government and a composite task force of OMCs has been set up to undertake measures for both import and inventory management. During the period October-December 2005, the OMCs have planned to import 238.5 TMT of additional LPG to tide over the problem. Out of this, 117 TMT of additional LPG has already been imported. While, as a result of these efforts, at the macro level, the country-wide backlog is only around 1.5 % of the average monthly requirement of around 900 TMT of LPG, at micro level, the backlog might vary from the market to market on account of operational issues. The situation is expected to normalize by the end of November 2005 after the restoration of production in RIL's Refinery.

Meanwhile, the OMCs have intensified their inspections of the distributors and action is taken as per the provisions of the Marketing Discipline Guidelines (MDG) / Distributorship Agreement against distributors found indulging in black marketing or diversion of the product.