

THE GAZETTE OF INDIA: EXTRAORDINARY  
**MINISTRY OF PETROLEUM AND NATURAL GAS**  
ORDER

**Notification**

New Delhi, the 26<sup>th</sup> April, 2000

**G.S. R. 487 (E).**— In exercise of the powers conferred by section 3 of the Essential Commodities Act, 1955 (10 of 1955), the Central Government hereby makes the following Order, namely:-

1. **Short title and commencement.** – (1) This order may be called the Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000.

2. It extends to the whole of India.

3. It shall come into force, on the date of its publication in Office Gazette.

2. **Definitions.**— In this order, unless the context otherwise requires :--

(a) “Chief Controller of Explosives” shall have the same meaning assign to it in the Explosive Act, 1884 (4 of 1884);

(b) “Consumer” means a registered person, firm, company, institute, association of persons, co-operative society or organisation, who has been granted liquefied petroleum gas connection or supply, either bulk or in cylinder, by a distributor or a Government Oil company of parallel marketer;

(c) “Cylinder” means a metal container utilized for storing liquid petroleum gas conforming to the specifications laid down in Schedule II and III;

(d) “delivery person” means a person engaged by a distributor Government Oil Company or a parallel marketer to deliver liquid petroleum gas in cylinder to consumers;

(e) “distributor” means a person, firm, association of persons, cons institution, Organisation or a co-operative society appointed Government Oil Company or parallel marketer and engaged business of purchase, sale, or storage for sale of liquefied petroleum gas in cylinders to consumers on the basis of an agreement with a Government Oil Company or a parallel marketer; as the ase may be;

(f) “gas cylinder valve’ means a valve which is fitted to a cylinder.

(g) “Government Oil Company” means, -

(1) Bharat Petroleum Corporation Limited.

(2) Bongagaigaon Refinery and Petrochemicals Limited

(3) Cochin Refineries Limited.

- (4) Gas Authority of India Limited.
  - (5) Hindustan Petroleum Corporation Limited.
  - (6) Indian Oil Corporation Limited.
  - (7) Indo-Burma Petroleum Company Limited.
  - (8) Chennai Petroleum Company Limited.
  - (9) Numaligarh Refinery Limited.
  - (10) Oil India Limited.
  - (11) Oil and Natural Gas Corporation Limited, or
  - (12) any other Government Company or a statutory body or a company or a firm, declared as such by notification in the Official Gazette, to be a "Government Oil Company by the Central Government, for the purposes of this Order;
- (h) "Indian Standard" shall have the same meaning as assigned to it in clause (g) of section 2 of the Bureau of Indian Standards Act, 1986 (63 of 1986);
- (i) "liquefied petroleum gas (or LPG)" means a mixture of light hydrocarbons which may include propane, isobutene, normal butane, butylenes etc., which are gaseous at normal ambient temperature and atmospheric pressure but may be condensed to liquid state at normal ambient temperature by the application of pressure and which conforms to Indian Standard specification number Is 4576;
- (j) "parallel marketer" means any person, firm, company, institution, association of persons, co-operative society or organisation carrying on any or all of the business of importing, storing, bottling, marketing, distributing and/or selling liquefied petroleum gas under the parallel marketing system;
- (k) "parallel marketing system" means the system other than the public distribution system, under which a parallel marketer carries on any or all of the business of importing, storing, bottling, distribution or selling in bulk or in retail, packed or filled in cylinder, liquefied petroleum gas under his own arrangement.
- (l) "public distribution system" means the system of distribution, marketing or selling of liquefied petroleum gas by a Government Oil Company at the Government controlled or declared price through a distribution system approved by the Central or a State Government;
- (m) "pressure regulator" means the equipment used for regulating the flow and pressure of liquefied petroleum gas from a cylinder to a gas stove;
- (n) "Schedule" means a Schedule appended to this order;
- (o) "seal" means seal put on the cap of the valve of the cylinder for the purpose of sealing a cylinder after it has been filled with liquefied petroleum gas;
- (p) "Storage point" means the premises licensed by the Chief Controller of Explosives;

- (q) "transporter" means a person authorized by a Government Oil Company, parallel marketer or a distributor for transportation of LPG in bulk or in cylinders and also of empty or defective cylinders.

3. Restriction on unauthorized possession, supply and consumption of liquefied petroleum gas-

- (1) A person having a connection for liquefied petroleum gas under the public distribution system, shall not –

- (a) possess more than one connection of liquefied petroleum gas granted under the public distribution system-

Provided that the Central Government or the Chief Executive Officer of a Government Oil Company, may sanction more than one connection of liquefied petroleum gas under the public distribution system in favour of any person, keeping in view the difficulty and hardship experienced by such person in obtaining supplies of the LPG;

- (b) possess or use liquefied petroleum gas filled in cylinder or in bulk, unless he has received the supply from a Government Oil Company or a distributor authorized by such Company;

- (c) use liquefied petroleum gas for any purpose other than for which the consumer is registered with the distributor of a Government Oil Company;

Provided that the Central Government may by a general or special order permit the use of liquefied petroleum gas for such other purposes as, it may, by order, specify.

- (2) The supply of liquefied petroleum gas to domestic category consumers shall be made in 14.2 Kg capacity cylinder and to those falling under non domestic category shall be made in 19 Kg/47.5 Kg capacity cylinder, or in such capacity cylinders as may be notified, by the Central Government from time to time.

- (3) No distributor of a Government Oil Company shall supply liquefied petroleum gas filled in cylinder to any person unless he – (a) has been registered and granted a connection for liquefied petroleum gas under the public distribution system, or (b) holds a valid authorization from the Government Oil Company.

- (4) No distributor of a Government Oil Company or a parallel marketer, as the case may be, shall commit or cause to commit any of the activities prohibited herein including those specified in Schedule-1

4. Restriction on storage and transport of liquefied petroleum gas –

- (1) No person shall-

- (a) fill any cylinder with liquefied petroleum gas or transfer liquefied petroleum gas from one cylinder to another cylinder or from one container to another container unless authorized by the Chief Controller of Explosives;
- (b) transport or store a cylinder filled with liquefied petroleum gas except in an upright position'
- (c) store or use or cause to be stored or used a cylinder filled with the liquefied petroleum gas except in a cool, dry, well-ventilated and accessible place under cover, away from boilers, open flames, steam pipes or any potential source of heat;
- (d) remove the seal prior to use of the cylinder:  
  
Provided that the distributor or his authorized representative or the delivery person may remove such seal in the presence of the consumer either for testing, checking or installation of the cylinder;
- (e) use cylinder, pressure regulator and gas cylinder valve other than those specified in Schedules II and III.

(2) No transporter or delivery person shall deliver or cause to deliver liquefied petroleum gas either in cylinder or in bulk to any person other than the consumer or distributor.

5. Restriction on sale or distribution of liquefied petroleum gas below or in excess of the standard weight. – No Government Oil Company, distributor or parallel marketer shall supply, sell or distribute to a consumer liquefied petroleum gas in cylinders which contains less than or in excess of the weight of liquefied petroleum gas specified in the Schedules II and III or as indicated on the cylinder.

6. Prohibition on carrying unauthorized business of selling LPG –

No person other than a Government Oil Company, a parallel marketer or a distributor shall be engaged in the business of selling liquefied petroleum gas to the consumer.

7. Possession, supply or sale of liquefied petroleum gas equipments.-

(1) No person shall-

- (a) supply or sell filled or empty cylinder, gas cylinder valve and pressure regulator to any person other than a Government Oil Company or a parallel marketer;
- (b) unless authorized by a Government Oil Company or a parallel marketer, supply or sell filled or empty cylinder, gas cylinder valve and pressure regulator to any person other than a consumer;

(c) possess filled or empty cylinder, gas cylinder valve or pressure regulator, unless he is a distributor or a consumer.

(2) Every manufacturer of cylinder, gas cylinder valve and pressure regulator shall destroy by crushing those cylinders, cylinder valves and pressure regulators which do not conform to the Indian Standards.

8. Display of stock and price of liquefied petroleum gas. – Every distributor shall prominently display the stock and price of the liquefied petroleum gas at a conspicuous place of the business premises including the storage point, showing –

(i) the opening balance of filled, empty and defective cylinders and regulators;

(ii) the backlog of preceding working day of the filled cylinders to be supplied;

9. Procurement, storage and sale of liquefied petroleum gas by a distributor:-

(a) No distributor having stock of liquefied petroleum gas at the business premises, including storage point, shall, unless otherwise directed by a Government Oil Company or a parallel marketer, refuse to sell LPG on any working day during working hours, to the consumer registered with that distributor.

(b) No distributor shall keep his business premises including the storage point closed during working hours on any working day without the prior written permission of the Government Oil Company or the parallel marketer.

Explanation. – For the purposes of sub-clauses (a) and (b) the-expression ‘working hours’ means the working hours fixed by the concerned Government Oil Company or, the parallel marketer in accordance with the provisions of the Shops and Establishments Act and the rules made thereunder, as in force in the respective States or the Union Territories, as the case may be.

(c) Every distributor shall take steps to ensure the stocks of liquefied petroleum gas are available at the business premises, including the storage point, at all times.

(d) No distributor shall sell liquefied petroleum gas at a higher price than that fixed by the Government Oil Company or the parallel marketer.

(e) No distributor shall, without prior written permission of the concerned Government Oil Company, refuse to make home delivery at the address of the consumer, as registered with the distributor;

Provided that the State Government may, fix additional charges for home delivery of LPG cylinders to the consumers, as it may deem necessary in view of the geographical terrain and/or the distance in the area of distribution.

- (f) Every distributor shall display the working hours prominently at the place of business including the place of storage on a conspicuous place.
10. Maintenance of register, account books by a distributor.-
- (a) Every distributor shall maintain proper accounts of daily purchase sale and storage of liquefied petroleum gas at the business premises indicating therein.-
    - (i) the opening stock of the filled, empty and defective cylinders.
    - (ii) the number of filled, empty and defective cylinders received during the day:
    - (iii) the number of filled, empty and defective cylinders sold, delivered or otherwise disposed of during the day;
    - (iv) the closing stock of the filled, empty and defective cylinders;
    - (v) such other relevant particulars as the concerned Government Oil Company or the parallel marketer may by order in writing, specify.
  - (b) The distributor shall maintain a register giving the details of names and addresses of persons registered for obtaining liquefied petroleum gas connection.
11. Assessment and Certification Rating of parallel marketers.-
- (1)(a) No parallel marketer shall commence any activity, such as, importing, storing, transporting, bottling, marketing, distribution, sale or any activity incidental thereto, relating to the business of liquefied petroleum gas without obtaining a rating certificate, for his capability, infrastructure network and readiness to carry out professed business and deliver goods and services promised, provision for adequate safety backup for transportation, accident relief during transportation, and attending to emergency complaints of consumers by an agency given in Schedule-IV, on the basis of its evaluation and rating.
  - (b) The rating certificate shall be issued in the format as specified in Schedule-V, and as per the forwarding letter given in Schedule-VI.
  - (c) The rating certificate shall –
    - (i) be valid for a period of two years in case of ‘good’ and ‘satisfactory’ rating and one year in case of other ratings from the date of its issue, and
    - (ii) require renewal by the rating agency.

- (2) Every parallel marketer announcing details of his activity or inviting offers of any kind in the field of import, transport, marketing, bottling, distribution or sale, of liquefied petroleum gas, either in a newspaper, handout, pamphlet, leaflet or by any other means of communication or advertising shall indicate the rating awarded to him in words i.e. Good, Satisfactory, Low-risk, High risk, whichever is applicable, and prominently publish the rating certificate, as given by the rating agency.
- (3) There shall be paid in respect of every application to a rating agency-
- (i) for the rating certificate awarded to the parallel marketer, a fee at the rate of 0.05% of the project cost, subject to a minimum of rupees fifty thousand and maximum of rupees ten lakhs; and
  - (ii) for the renewal of the rating certificate by the parallel marketer, a fee of one-tenth of that required to be paid for such a certificate.
  - (iii) The renewal of rating certificate by the parallel marketer shall be as per the following periodicity, namely :-
    - (a) once in two years, for those having 'good' and 'satisfactory' rating certificate in the previous year.
    - (b) once in a year for those having rating certificate other than 'good' and 'satisfactory' in the previous year.
- (4) The agencies given in Schedule-IV for the purpose of evaluation shall, on payment of fee by the parallel marketer, evaluate the parallel marketer whose case is either referred to it or who approaches it, on the basis of the parameters indicated and the information provided by such parallel marketer in the format as specified in Schedule-VII or such other information as may be required by the rating agency.
- (5) Every parallel marketer shall file a certified true copy of the certificate of rating with the Ministry of Petroleum and natural Gas, Oil Co-ordination Committee, Ministry of Food and Civil Supplies of the Central and the State Government and Collector of the District in which he imports, transports, bottles, markets, distributes or sells liquefied petroleum gas.
- (6) All letter-heads or communications of a parallel marketer shall have the following description of rating :-
- (i) Name of the rating agency,
  - (ii) Rating awarded to him, and
  - (iii) Date of issue.

- (7) No parallel marketer shall either give incomplete, incorrect, misleading, vague information in the newspaper, handout, pamphlet, leaflet or advertisement or submit such information to the rating agency.

Provided that a parallel marketer carrying on the business of transportation, marketing, distribution or selling of liquefied petroleum gas as an agent of another parallel marketer, who has obtained a rating certificate, shall not be required to obtain a rating certificate.

Explanation : For the purpose of this clause, a parallel marketer shall be regarded as an agent of another parallel marketer if the former is appointed an agent for the above purposes by the latter through a legal instrument.

12. Maintenance of records and furnishing of information by parallel marketer,-
- (a) Every parallel marketer before commencing the import, transportation, bottling, marketing, distribution or sale of liquefied petroleum gas shall intimate to the Ministry of Petroleum and Natural Gas all or any of the above activities which he intends to undertake, specifying therein capability to do so, and any other relevant particulars.
  - (b) The parallel marketer shall ensure that the quality checks are carried out and the liquefied petroleum gas meets the BIS specification number IS 4576; in all respects before the imported liquefied petroleum gas is discharged into the storage infrastructure at the port.
  - (c) The parallel marketer shall ensure that the liquefied petroleum gas meets the BIS specification number IS 4576 before it is sold to any consumer.
  - (d) The parallel marketer of liquefied petroleum gas shall submit a monthly return before the 15<sup>th</sup> day of the following month giving details of liquefied petroleum gas produced and or imported port-wise, to the Ministry of Petroleum and Natural Gas.
  - (e) The parallel marketer shall furnish to the Ministry of Petroleum and Natural Gas, or to such authority as may be specified by the Central Government, such information as may be required.
13. Power of entry, search and seizure.-
- (1) Any Officer of the Central or the State Government not below the rank of Inspector duly authorized by a general or a special order, by the Central Government or the State Government, as the case may be or any officer of a Government Oil Company not below the rank of Sales Officer, authorized by the Central Government, may, with a view to securing due compliance of this Order or any other order made thereunder;
    - (a) stop and search any vessel or vehicle used or capable of being used for the transport or storage of any petroleum product,



- (b) enter and search any place.
  - (c) seizes stocks of liquefied petroleum gas alongwith container and/or equipments, such as cylinders, gas cylinder valves, pressure regulators and seals in respect of which he has reason to believe that a contravention of this Order has been, or is being, or is about to be made.
- (2) The sales officer of a Government Oil Company shall be authorized to secure compliance of this Order by the distributors appointed under the public distribution system and or by the consumer registered by them.

14. Overriding effect of the Order. – The provisions of this Order shall have overriding effect notwithstanding anything contained in any Order made by a State Government or a Union Territory Administration.

15. Power to exempt.- The Central Government may, if it considers necessary, for avoiding any hardship or in consideration of the public interest, by a notification in the Official Gazette, exempt any person or class of persons from all or any of the provisions of this Order, either generally or for any specific purpose, and subject to such conditions as may be specified in the notification.

16. Repeal and savings :-

The Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 1993 is hereby repealed :

Provided that such repeal shall not effect :

- (a) the previous operation of the said Order or anything duly done or suffered therein; or
- (b) any right, privilege, obligation or liability acquired, accrued or incurred under the said, Order; or
- (c) any penalty, forfeiture or punishment incurred in respect of any offence committed against the said Order; or
- (d) any investigation, legal proceedings or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid.

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if the said Order had not been repealed.

[Extract from the Chd. Admn. Gaz. (Extra.) dated the 15<sup>th</sup> November, 2000]

**CHANDIGARH ADMINISTRATION  
HOME DEPARTMENT**

**ORDER**

In exercise of the powers conferred by clause 13 of the liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000, the Administrator, Union Territory, Chandigarh hereby notifies the following officers to take necessary action with a view to securing due compliance of the said order or any other order made thereunder, namely :-

1. District Magistrate, Union Territory, Chandigarh.
2. Sub-Divisional Magistrates in Union Territory, Chandigarh.
3. Executive Magistrates in Union Territory, Chandigarh.
4. Additional Director, Food and Supplies/Deputy Director, Food and Supplies, Union Territory, Chandigarh.
5. District Food and Supplies Officers, Union Territory, Chandigarh.
6. Assistant Food and Supplies, Officer, Union Territory, Chandigarh.
7. Inspectors, Food and Supplies, Grade-II, Union Territory, Chandigarh.
8. Inspectors of Police Department, Union Territory, Chandigarh.

Chandigarh  
Dated the 2000

**R.S. GUJRAL  
Home Secretary  
Chandigarh Administration**

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