

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

UNSTARRED QUESTION NO:2348
ANSWERED ON:11.03.2010
ALLOTMENT OF LPG DISTRIBUTORSHIP
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether LPG distributorship allotment stood stagnated for the years ending 31st March, 2007 and 31st March, 2008 ;
- (b) if so, the reasons therefor ;
- (c) whether LPG customers increased in millions during the last three years ;
- (d) if so, whether LPG distributorship have not been allotted as per with increase of LPG customers in the country ;
- (e) whether the Government allot more LPG distributorships in rural areas ; and
- (f) if so, the details thereof ?

Answer

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

(a) & (b) : No, Madam. Public Sector Oil Marketing Companies (OMCs) have commissioned 114 and 77 LPG distributors respectively in the country during the year 2006-07 and 2007-08.

(c) & (d) : As on 01.02.2010, OMCs were operating 9557 LPG distributors in the country. Through these distributors, OMCs are serving about 1141.5 lakh LPG customers in the country. OMCs have released 239.82 lakh new LPG connections in the country during the year 2006-07, 2007-08, 2008-09 and between April, 2009 to January 2010.

Release of new LPG connections follows the setting up of LPG distributors. New distributors are planned in an existing market based on the availability of slack with existing distributor and in new locations based on the assessment of refill sale potential which should be sufficient to sustain operation of an independent LPG distributor.

(e) & (f) : As per the "Vision 2015" adopted for LPG sector in 2009, a target has been given to the OMCs to raise the over-all LPG population coverage to 75% in the country by releasing 5.5 crore new LPG connections by 2015 especially in rural areas and uncovered areas.

In order to increase rural penetration and to cover remote as well as low potential areas, a new scheme namely, "Rajiv Gandhi Gramin LPG Vitrak Yojana" (RGGLVY) for establishing small size LPG distribution agencies for locations having potential of 600 or more refill sales per month has been formulated.

The scheme has been launched on 16.10.2009 and subsequently advertisement inviting applications for distributors under the scheme have been released by OMCs in 8 States where the reach of LPG is very low namely, Bihar, Chhatisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal covering 1266 locations.

The setting up of LPG distributors under this scheme will now be a continuous process till all parts of the country deficient in LPG were covered by LPG network.