

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

UNSTARRED QUESTION NO:4509
ANSWERED ON:21.02.2014
LPG DISTRIBUTORSHIPS
Choudhary Shri Harish

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

- (a) whether there has been delay in allotment of LPG distributorships in many rural and urban areas of the country ;
- (b) if so, the details thereof along with the reasons therefor; and
- (c) the corrective measures taken by the Government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS(SMT PANABAACA LAKSHMI)

(a) to (c) : Appointment of LPG distributorships involves the process of advertisement, scrutiny of applications, conducting draw among eligible applicants, field verification of the candidate selected in draw, placement of Letter of Intent (LoI) on the candidate successful in field verification.

Generally, the appointment of LPG distributorship gets delayed due to events such as complaints, court cases, nil applicants, applicants getting rejected during scrutiny, redraw due to quorum not available, rejection of candidates during Field Verification of Credentials (FVC) etc. Once the candidate gets rejected during FVC then re-draw has to be conducted. This process goes on till all the eligible candidates for draw are exhausted.

OMCs have taken some of the following measures to speed up the allotment of LPG distributorships:-

- (i) The complainant has to deposit a fee of Rs 1000/- as a complaint fee. This would reduce frivolous complaints and their investigations.
- (ii) If for a reserved location, NIL applicants or no eligible candidates are found then the locations is de-categorised and re-advertised so as to get eligible applicants.
- (iii) If quorum (at least 50% of eligible applicants) for the draw is not complete during 1st draw, then subsequent draws shall be conducted in presence of the applicants who choose to remain present during the draw. This shall ensure that the selection does not get held-up due to incomplete quorum.
- (iv) Candidate selected in draw has to deposit an amount equivalent to 10% of the Security Deposit before FVC, which gets forfeited if false/incorrect/ misrepresented information has been given in the application. This would prevent the applicants from furnishing incorrect information in the application and rejection at a later date which would delay the selection process.
- (v) Checklist has been added to the application form so as to ensure that the applicant has attached the requisite documents with the application form and to take a confirmation that he meets the required minimum eligibility criteria. This would prevent correspondences/ rejection during scrutiny of applications.