

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

UNSTARRED QUESTION NO:5421

ANSWERED ON:27.04.2015

COMMISSION TO LPG/ KEROSENE DEALERS

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

(a) whether the Government proposes to provide LPG agencies under Saansad Adarsh Gram Yojana and expand Superior Kerosene Oil whole-sellers/dealers in the country and if so, the number of retail outlets opened proposed to be opened during the last three years, State/UT-wise;

(b) whether the Government proposes to restart the closed public/private sectors petrol pumps/gas agencies in the country;

(c) if so, the details thereof along with number of private petrol pumps/LPG agencies started since deregulation of diesel/ petrol and the share of private sector in the retail trade of petroleum products, State-wise including Rajasthan;

(d) whether the Government has set up any mechanism for monitoring of funds earmarked for LPG connections and if so, the details thereof along with any complaints has been received in this regard and action taken by the Government in this regard;

(e) whether the kerosene and LPG distributors have demanded to raise the dealers commission to cover up increase in labour and other kerosene delivering expenditure to customers; and

(f) if so, the details thereof along with any study has been conducted by the Government and follow-up action taken by the Government on the recommendation of the study report?

Answer

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

(a) Presently, no proposal is under consideration of the Government to provide LPG agencies under Saansad Adarsh Gram Yojana and expand Superior Kerosene Oil whole sellers/dealers.

(b) & (c) With regard to LPG : No such proposal is under consideration. However, new LPG distributorship may be set up against the terminated distributorship at the same location following the normal selection procedure.

With regard to ROs: OMCs have reported that revival of closed dealerships of Oil Marketing Companies (OMCs) are considered in line with policy in vogue.

(d) A scheme for providing one time grant to BPL families in the rural areas for release of new LPG connection from CSR fund of ONGC, OIL, GAIL, BPCL, HPCL and IOC, through Rajiv Gandhi Gramin LPG Vitaraks is in operation in the country. As per the scheme, the security deposit for one cylinder and cost of Pressure Regulator is paid from the fund created for this purpose. Further, the scheme was extended to Regular LPG distributorships also from January, 2015 till March, 2015 on a pilot basis.

(e) & (f): A committee of Director (Marketing) of IOCL, BPCL and HPCL and Director, PPAC was constituted by the Ministry to examine the issue de-novo for the purpose of fixation of LPG distributor commission. After careful consideration of the recommendations of aforesaid Committee, Distributors Commission on Domestic LPG cylinders was suitably revised on 5th October, 2012. Subsequently, the Distributors Commission on LPG has been revised twice. Effective 23rd October, 2014, Distributor Commission on LPG cylinders is Rs 44.06 per 14.2 kg cylinder (Establishment charges: Rs.26.06 and delivery charges: Rs.18.00) and Rs.22.03 per 5.0 kg cylinder (Establishment charges: Rs.13.03 and delivery charges: Rs.9.00).

Similarly, a de-novo study in respect of Kerosene dealer commission was conducted through Nation Council of Applied Economic Research (NCAER), New Delhi which was further examined by the Public Sector Oil Marketing Companies (OMCs). After careful consideration of the recommendation of the oil industry, the rates of commission of kerosene for wholesale dealers were suitably revised on 28th December, 2012. Subsequently, the Kerosene dealer commission was further revised on 23rd October, 2014, as follows:

Wholesale Dealers (Form XV) - Rs 536.09/KL

Wholesale Dealers (other than Form XV) - Rs 475.58/KL