

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

UNSTARRED QUESTION NO:106

ANSWERED ON:24.11.2014

CASH SUBSIDY SCHEME FOR LPG .

Khuba Shri Bhagwanth;Kodikunnil Shri Suresh;Kumar Shri Shailesh (Bulo Mandal);Mullappally Shri Ramachandran;Nayak Shri B.V.;Owaisi Shri Asaduddin;Pandey Shri Ravindra Kumar;Patel Smt. Jayshreeben ;Pradhan Shri Nagendra Kumar;Premachandran Shri N.K.;Reddy Shri J.C. Divakar;Tadas Shri Ramdas Chandrabhanji

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

- (a) the details of existing mechanism/ guidelines prescribed in the Direct Benefit Transfer for LPG (DBTL) Scheme;
- (b) whether the Government proposes to make any changes in the mechanism/ guidelines transfer of subsidy amount in respect of LPG and kerosene to consumers;
- (c) if so, whether the Government has invited comments of various stakeholders before finalization of scheme and the number of States which have implemented such scheme, State-wise;
- (d) the number of LPG/kerosene consumers benefited and the quantum of funds utilized/ deposited in their account along with number of complaints received from the consumers regarding lesser amount of subsidy into their bank accounts and action by the Government; and
- (e) whether the Government has proposed to deregulate the pricing of LPG in phased manner and also to lift the restriction of one LPG cylinder per month and if so, the details thereof ?

Answer

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

(a) to (c) : With regard to LPG :-

In consultation with Ministry of Finance, Ministry of Home Affairs, Planning Commission, Department of Electronics & Information Technology, Unique Identification Development Authority of India and Registrar General and Census Commissioner of India, Ministry of Petroleum and Natural Gas has launched modified Direct Benefit Transfer for LPG (DBTL) scheme in 54 districts on 15.11.2014 and will be launching the scheme all over the country on 01.01.2015.

Under this scheme, the LPG consumers joining this scheme get all domestic LPG cylinders

(subsidized as well as non-subsidized cylinder) at market price and subsidy amount as applicable for each domestic subsidized cylinder is transferred to their bank account.

A one-time advance is also given to each LPG consumer. Consumers have the following two options for availing subsidy under the Scheme:

LPG consumer can receive subsidy in his/her bank account either by linking Aadhaar number to bank account number and to the LPG consumer number as the primary method.

OR

LPG Consumer can receive subsidy directly into bank account without the use of Aadhaar number as the secondary option if they do not have an Aadhaar number.

Thus, no LPG consumer will be denied subsidy on account of lack of Aadhaar number.

All LPG consumers have a grace period of 3 months from the date of launch of DBTL in the district during which all those who have not yet joined the scheme would continue to get subsidized cylinders as per their entitlement. After the end of grace period, an additional parking period of 3 months is given to such consumers during which the subsidy entitlement will be parked and will be transferred to consumers bank account on joining the scheme during this period.

In so far as Kerosene is concerned Direct Transfer of Cash Subsidy on Kerosene (DTCK) was initiated based on in principle approval of EGoM dated 8.8.2011.

A Pilot Project for DTCK was launched in the Block Kotkasim, District Alwar (Rajasthan) in December, 2011 by MoP&NG, in collaboration with Government of Rajasthan. During the Pilot, subsidy was transferred into the Bank account of PDS SKO beneficiaries and PDS SKO was moved at full market price at all points of supply.

Under the DTCK 2012, a lump-sum one time grant of Rs. 100 Crore for each State was to be provided to the states joining the Scheme prior to 31.03.2012. 11 States/UTs namely, Rajasthan, Madhya Pradesh, Sikkim, Maharashtra, Andman & Nicobar Islands, Jharkhand, Himachal Pradesh, Puducherry, Kerala, Goa & Andhra Pradesh confirmed their participation in the Scheme within the stipulated period. Out of these 11 states, only three States i.e. Rajasthan, Maharashtra and Goa confirmed implementation of DTCK in their following districts :

States	Districts
Rajasthan	Alwar, Ajmer, Udaipur
Maharashtra	Nandurbar, Wardha, Amaravati
Goa	North Goa

An amount of Rs 10 Crore was released for establishment of an institutional mechanism for direct transfer of subsidy in cash for PDS Kerosene beneficiaries to the States of Rajasthan, Maharashtra and Goa during 2012-13.

(d) : After the launch of modified DBTL scheme on 15.11.2014. (as on 20.11.2014), an amount of Rs 22.8 Crore as permanent advance & Rs 26.16 Crore as cash subsidy have been sent to the bank account of LPG consumer. DTCK has not progressed beyond the pilot.

Public Sector Oil Marketing Companies (OMCs) have reported that they have not received any complaint since restart of the scheme.

(e) : There is no proposal under consideration of the Government to deregulate the pricing of LPG.

Government has already lifted the ban on restriction of one LPG cylinder per month.