## GOVERNMENT OF INDIA PETROLEUM AND NATURAL GAS LOK SABHA

UNSTARRED QUESTION NO:1208 ANSWERED ON:01.12.2014 LPG CONNECTIONS

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

- (a) whether the Government has issued any fresh guidelines for providing LPG connection to the people;
- (b) if so, the number of persons who applied for LPG connections and the connections provided during the last three years and the current year;
- (c) the reasons for delay, if any, in providing LPG connections along with the action taken by the Government in this regard, State and Oil Marketing Company (OMC)-wise;
- (d) the details of production, import and distribution of LPG in the country, State/OMC-wise;
- (e) whether any irregularities have been noticed by the Government about low production and unequal distribution/ diversion of domestic cylinders for commercial use like hotels and restaurants etc. in the country, including Uttarakhand and if so, the details thereof, State/OMC-wise; and
- (f) the concrete steps taken by the Government against the erring companies as per the provisions of the Marketing Discipline Guidelines, OMC-wise?

## **Answer**

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

(a) to (c): Customers fulfilling the provisions of Liquefied Petroleum Gas (Regulation of Supply and Distribution) Amendment Order 2009, are required to register with a distributor where the person resides along with a Proof of Identity (POI) and a Proof of Address (POA) and Know Your Customer form.

The application is checked for a duplicate connections and if it is cleared, customer becomes eligible for release of new connection by the distributor. Upon maturity of his turn, the distributor sends an intimation letter to the prospective customer. The prospective customer can then approach the distributor within 60 days of issue of intimation letter to avail the LPG connection after payment of required security deposit & other service charges.

State/UT-wise details of the number of enrolment for new domestic LPG connections and connections released by Public Sector Oil Marketing Companies (OMCs) during the last three year and current year as on 01.10.2014 are given in Annexure- I &II.

There is no systemic delay in providing new connections. However, recently due to delay in procurement of new cylinders, there was a temporary backlog in the release of new connections. Measures taken to liquidate the backlog are as follows:

- (1) Priority placement of new LPG cylinders to bottling plants catering to the markets with high waiting list.
- (2) Release of one way loads to the distributors with priority to high wait list distributors.
- (3) Close monitoring of cylinder inventories by various levels.
- (d): State/OMC-wise details of LPG indigenous production during 2013-14, imports in the country during 2013-14 & supply during the months of April-October 2014 is at Annexure III, IV & V respectively.
- (e) & (f): The possibility of malpractice/ irregularities in subsidized domestic LPG cylinders by unscrupulous elements cannot be ruled out due to the lower retail price of subsidized LPG for domestic use vis a vis the market price for commercial LPG. Public Sector Oil Marketing Companies (OMCs) are on vigil to prevent and take action against black marketing of cylinders.

OMCs have reported that the filled LPG cylinders are supplied to customers with proper heat shrinkable preformed PVC seal. Distributors are under instructions to ensure that Pre- Delivery Inspection (PDI) is carried out when the deliveries are made to the customers, which consists of checking for intact seal, correct weight, valve leak, body leak and bung leak of the cylinder at the

premises of the customer before the delivery is made.

OMCs also carry out surprise inspections at distributors premises, conduct refill audits, surprise checks at customers premises, enroute checking of delivery vehicles etc. If LPG distributors are found guilty of any malpractice, punitive action is taken in accordance with the provisions of the Marketing Discipline Guidelines (MDG).

Moreover, various initiatives have been taken by the Government viz. capping on supply of subsidized cylinders, de-duplication, introduction of Transparency Portal and DBTL, which reduce the misuse and diversion of subsidized LPG cylinders.

The State/UT-wise details of established cases of diversion noticed by Public Sector Oil Marketing Companies (OMCs) is at Annexure VI. In all established cases action has been taken against the erring LPG distributors as per provisions of the Marketing Discipline Guidelines (MDG).