GOVERNMENT OF INDIA PETROLEUM AND NATURAL GAS LOK SABHA

UNSTARRED QUESTION NO:1235 ANSWERED ON:01.12.2014 LPG DISTRIBUTION BY PRIVATE PLAYERS

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

- (a) whether the Government has noticed that accessive number of consumers registered with the gas agencies/distributors;
- (b) if so, the guidelines issued in this regard along with the number of such agencies/ distributors in the country and the steps taken by the Government to remove the inconveniences faced by consumers, State/Oil Marketing Company (OMC)- wise;
- (c) whether the Government proposes to give distribution of LPG cylinders to the private companies in the country including Maharashtra and Jharkhand;
- (d) if so, the details thereof along with the number of licences issued to private players, company-wise; and
- (e) the efforts made by the Government for smooth distribution and expansion network periodically to facilitate the consumers and efficient customer service to be given in a time bound manner?

Answer

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

(a) & (b): Public Sector Oil Marketing Companies (OMCs) have reported that the new LPG distributorships are planned in the existing markets to reduce the pressure on the existing distributorships as and when the average refill sale of all the distributor(s) in the market reaches refill ceiling limit of the market. Such markets are identified from time to time and advertisements for appointment of additional distributorships on account of markets are released.

Monthly refill Ceiling limit of LPG cylinders based on the type of market is as under :-

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Type of Market based on Census 2011 Monthly Refill Ceiling (Cylinder per Month)
Town upto 10 Lacs population 8800
Town with 10 Lacs to 20 Lacs population 11000
Town with 20 Lacs to 40 Lacs population 13200
Cities/ Town with population more than 40 Lacs 16500
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Accordingly based on the above limits, OMCs identified 2963 number of locations for setting of LPG distributorship on all India basis and advertisements were released during the period September 2013 to November 2013. These are under various stages of selection process.

- (c) & (d): There is no such proposal under consideration.
- (e): For meeting the demand of LPG in the uncovered areas, new LPG distributorships are opened. Appointment of distributors is a continuous process and the locations for setting up LPG distributorships are identified based on available refill sale potential, that can sustain economically viable operation of an LPG distributorship.

As on 01.11.2014, OMCs are having 11167 Regular distributors and 3865 distributors under Rajiv Gandhi Gramin LPG Vitaran Yojana (RGGLVY).

Several steps have also been taken by OMCs to improve customer services. This includes a comprehensive LPG service portal www.mylpg.in, where all LPG services can be obtained from the comfort of the home without visiting the distributorship. Mobile applications have also been developed for various LPG services. In an effort to enhance competition, the distributors are being rated from 1 star to 5 star based on their delivery performance.

The customers are also being given the option of portability under which they can now change their distributor/marketing company in case they so desire.