

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

UNSTARRED QUESTION NO:315
ANSWERED ON:01.03.2007
ALLOTMENT OF GAS AGENCIES
Yadav Shri Ram Kripal

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

- (a) whether oil PSUs have not allotted any Gas Agency since 2003 ;
- (b) whether few Letter of Intent issued in the year 2003, have not been given dealership so far ; (
- (c) if so, whether present strength of Gas Agencies in all over the country is sufficient to fulfil the day-to-day requirement of LPG ;
- (d) if so, the details thereof ; and
- (e) if not, the reasons for stopping the allotment of new Gas Agencies ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

- (a) : Public Sector Oil Marketing Companies (OMCs) have allotted 1140 LPG distributorship since 2003 and up to 01.01.2007.
- (b) : OMCs have issued 15 Letter of Intent (LOI) for setting up of LPG distributorships in the year 2003 which are pending for commissioning due to various reasons such as non-availability of land, construction of godown, court cases/complaints, statutory clearances from various authorities, etc.
- (c) to (e) : As on 01.01.2007, Public Sector Oil Marketing Companies (OMCs) were operating 9344 LPG distributorships in the country. Through these distributorships, OMCs are serving about 932 lakh LPG customers in the country. The genuine demand of customers registered with the LPG distributors is being fully met.

Government have given freedom to OMCs to set up LPG distributorships in accordance with their commercial assessment and locations are identified by them on the basis of available refill sale potential for sustaining an independent distributorship. However, Government have advised OMCs to draw up Marketing Plans for covering semi-urban and rural areas. OMCs have finalized a common industry marketing plan covering 791 locations for setting up LPG distributorships mainly in rural and urban-rural (semi-urban) locations.