

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

UNSTARRED QUESTION NO:1535

ANSWERED ON:21.07.2014

CASH TRANSFER SCHEME FOR LPG KEROSENE

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

- (a) the details of existing mechanism/ guidelines prescribed in Cash Transfer Scheme;
- (b) whether the Government proposes to make any changes in the mechanism/ guidelines for transfer of subsidy amount in respect of LPG and kerosene to consumers;
- (c) if so, the number of States which have implemented such scheme, State-wise including newly created Telangana along with views of the Planning Commission in this regard and the action taken thereon;
- (d) the number of LPG/kerosene consumers who are likely to be benefited along with the quantum of funds likely to be utilized/ deposited in their account ;
- (e) whether the Government has received complaints from the consumers regarding getting lesser amount of subsidy into their bank accounts; and
- (f) if so, the details thereof and the action taken by the Government in this regard, State-wise?

Answer

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

(a) to (d) : Government of India had launched Direct Benefit Transfer for LPG (DBTL) Scheme in 291 high Aadhaar coverage districts of the country covering 9.6 Crore LPG consumers. In these districts, the LPG consumers who had linked their Aadhaar number to their LPG consumer number and to their bank accounts were getting all domestic LPG cylinders (subsidized as well as non subsidized cylinder) at market price. The difference between non-subsidized price and subsidized price of domestic LPG cylinder (excluding VAT) was being transferred directly to the consumers Aadhaar linked bank account, as per consumers entitlement of subsidized cylinders.

So far (as on 31.03.2014), around 2.8 Crores domestic LPG households had been provided permanent advance amounting to Rs. 1469.34 Crores and subsidy on refills had been transferred amounting to Rs 3867.79 Crore.

At present, the DBTL scheme has been kept in abeyance in all 291 DBTL districts till further orders and the system of providing subsidized cylinders to all domestic LPG consumers on payment of the applicable subsidized price for each such cylinder has been re-introduced in all the above DBTL districts.

Government had set up a committee headed by Ex- Director, IIT Kanpur Prof. S.G. Dhande to review the functioning of the DBTL scheme and give its recommendations. The committee has submitted its report, which has been put up for public comments.

In so far as Kerosene is concerned after the interim recommendations of the Task Force constituted by the Government under the Chairmanship of the Chairman UIDAI on the issue of Direct Transfer of Cash Subsidy on PDS Kerosene (DTCK) and in principle approval of EGoM thereon (dated 8th August, 2011) DTCK was initiated.

A Pilot Project for Direct Transfer of Cash Subsidy of PDS Kerosene 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 including the PDS beneficiary. As per the report of the State Government of Rajasthan, the demand of SKO fell by around 67%.

Under the DTCK 2012, a lump-sum one time grant of Rs. 100 Crore for each State was provided to the states joining the Scheme prior to 31.03.2012. 11 States/UTs (Rajasthan, Madhya Pradesh, Sikkim, Maharashtra, Andman & Nicobar Islands, Jharkhand, Himachal Pradesh, Pudducherry, 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 following district :

States Districts

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

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

(e) & (f) : some complaints relating to cash transfer in LPG and Aadhaar seeding were received. As and when the problems were reported process improvements were discussed with various stakeholders such as Banks, NPCI and UIDAI and necessary action taken.

Steps to resolve complaints so far include, inter-alia access to seeding data on OMC portals/ call centres, and provision of informing subsidy transfer details and grievance redressal through the call centres.