

**GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM & NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO. 2854
TO BE ANSWERED ON 28th MARCH, 2022**

Expansion of LPG network

2854 # Shri Satish Chandra Dubey:

Will the Minister of Petroleum and Natural Gas be pleased to state:

- (a) whether the Oil Marketing Companies (OMCs) have stalled their proposal of appointing thousands of distributors for expansion of Liquefied Petroleum Gas (LPG) network in the country;
- (b) if so, the total number of LPG distributors appointed and the reasons for stalling the expansion;
- (c) whether OMC has collected any deposit money from the potential distributors;
- (d) if so, the steps taken to refund their amount; and
- (e) whether the existing distributors have any maximum limit as regards to customers, if so, then what is it?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI RAMESWAR TELI)**

(a) & (b) No Sir. Appointment of LPG distributorships is a continuous process and locations for setting up of LPG distributorships are identified based on sale potential that makes them commercially viable. As on 01.03.2022, Oil Marketing Companies (OMCs) have 25,218 LPG distributors across the country. Under the Unified Guidelines for Selection of LPG Distributorships (USG) Public Sector Oil Marketing Companies (OMCs) have released advertisement for appointment of LPG distributors at 6411 locations on all India basis and 5293 locations have already been commissioned.

(c) & (d) OMCs do not collect any deposit money from potential distributors. However, the successful applicants in draw of lots are required to deposit Field Verification of Credentials (FVC) Fee as under :-

In Rs.

Type of Distributorship	Open	OBC	SC / ST
Sheheri / Rurban Vitrak	50,000	40,000	30,000
Gramin / Durgam Kshetriya Vitrak	40,000	30,000	20,000

The above FVC Fee is adjusted against the security deposit in case of selection and forfeited by OMCs in case of rejection of the application.

(e) There is no maximum limit to the number of customers, however there is a Refill Ceiling Limit based on different market types. Refill ceiling limit for different types of distributorship area as per USG are as under:-

Type of distributorship area	Population as per census 2011	Refill Ceiling Limit per month
Sheheri Vitrak	Cities with population > 40 lakh	20,000
	Cities with 20 to 40 lakh population	15,000
	Cities with 10 to 20 lakh population	12,000
Rurban Vitrak	Towns with < 10 lakh population	10,000
Gramin Vitrak	Village / Cluster of villages	5,000
Durgam Khetriya Vitrak	Village / Cluster of villages	1,500
