

**LOK SABHA**  
**UNSTARRED QUESTION NO. - 1899**  
**TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2023**

**Better Management of Gas Cylinders**

1899. SHRI DAYANIDHI MARAN:

पेट्रोलियम एवं प्राकृतिक गैस मंत्री

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

- (a) the steps taken/being taken by the Government to combat issues of pilferage, tracking and tracing and better inventory management of gas cylinders;
- (b) whether QR codes and RFID technology is being used for supply-chain management along with the ways in which the said technology is being used;
- (c) if so, the outcomes/goals of the said exercise;
- (d) the details of various technologies or solutions identified, attempted or studied during the last five years and the current year for better asset management, supply-chain management, curbing pilferage, transparent and effective disbursement of subsidies;
- (e) whether the Government has held any consultations or explored proof-of-concepts during the said period, if so, the details thereof and the steps taken to follow through on these projects;
- (f) whether the Government has a white paper on technologies explored for accountability of cylinder management and disbursement of subsidies; and
- (g) if so, the details thereof?

ANSWER

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय में राज्यमंत्री (श्री रामेश्वर तेली)

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

(a) to (g): Domestic LPG cylinders are procured and maintained by Public Sector Oil Marketing Companies (OMCs). The cylinders are loaned to the customers against Security Deposit paid by them. Based on the projected demand and optimization of operations, the entire supply chain and inventory of cylinders is managed by OMCs with an objective of bringing in efficiency in LPG distribution system. Several steps have been taken by OMCs to prevent pilferage/supply of underweight cylinders to LPG consumers, which inter-alia include, random weight checking of filled cylinders at bottling plant, sealing of cylinders with Tamper Evident Seal, Statistical Quality Control on 10 % cylinders received from bottling plant, pre-delivery checks of cylinders, carrying portable weighing scales by delivery persons, random checks by OMC officials at go-down/delivery points/en-route, organizing public awareness campaigns etc.

Barcodes, QR codes and RFID tags are amongst the key available technologies used for product identification, inventory management, sales tracking, package tracking, sorting and quality control applications in supply chain management. In case of LPG industry, the OMCs have taken up the pilot studies of QR code tagging to the LPG cylinders for identification/tracking/tracing of the LPG cylinders.

OMCs continuously strive to adopt the latest technology whether in the form of software implementation / upgradation or automation of processes. In case of cylinder management, the QR code-based “Track & Trace” has been identified as one of the solutions. In order to obtain “Proof of Concept” for the QR code based system, OMCs have held consultations with various premier technical institutes, testing agencies and have obtained opinion of subject matter experts on the aspect of scanning of QR code through mobile handsets and QR code scanners.

A pilot study for QR code tagging of cylinders has been undertaken by Indian Oil Corporation Ltd. (IOCL) at Madanpur Khadar Bottling Plant, Delhi for filling of QR coded LPG cylinders and dispatch to two distributors of Delhi Market. This initiative has been taken up with an objective to resolve issues of pilferage, tracking and tracing and better inventory management of gas cylinders. IOCL has dispatched 1,95,153 QR tagged 14.2 Kg LPG cylinders to these two distributors till 07.12.2023.

For transparent and effective disbursement of subsidy, Direct Benefit Transfer of LPG (DBTL) has been implemented since January 2015. Under DBTL, LPG cylinders are sold at non-subsidised price and the applicable subsidy to LPG consumers is transferred directly into the bank account of the consumers. The subsidy is transferred either through Aadhaar Transfer Compliant (ATC) or Bank Transfer Compliant (BTC) mode. From August 2021, subsidy payments for DBTL are being administered through the Public Financial Management System (PFMS). PFMS facilitates sound Public Financial Management System for Government of India by establishing an efficient fund flow system as well as a payment cum accounting network. PFMS provides real time, reliable and meaningful management information system and an effective decision support system, as part of the Digital India initiative of Government of India.

DBTL has helped in identifying ‘ghost’ accounts, multiple accounts and inactive accounts. This has helped in curbing diversion of subsidised LPG for commercial purposes. More than 4 crore domestic LPG connections have been blocked due to inactive or duplicate connections. Also, more than 1.1 crore LPG consumers have given up their subsidy under “GiveItUp” campaign across the country.

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