

PROBLEMS AND PROSPECTS OF LPG SUBSIDY DELIVERY TO CONSUMERS - A SURVEY OF SARUPATHAR TOWN AREA

JAHNABI HANDIQUE & AMALESH BHOWAL

Research scholar, Assam University, Diphu campus, India

ABSTRACT

LPG is the predominant “clean” cooking fuel in India. The LPG is being part of human life since 1970’s. The government of India with its launch of direct benefit transfer for LPG (DBTL) pahal scheme on June 1, 2013 to curb leakages and prevent black marketing by providing subsidy to consumers bank accounts. This study is conducted with the aim to know the problems and prospects of LPG subsidy delivery to consumers who opted for the subsidy. A structured questionnaire was used to collect the data and data was analysed using statistical methods like SPSS to find whether respondents have received any benefits due to the LPG subsidy.

KEYWORDS: Cooking Fuel, Consumer Satisfaction, DBTL (Pahal) Scheme, Liquefied Petroleum Gas (LPG)

INTRODUCTION

Background of the Study

Of the two billion people in the world currently dependent on biomass energy (chiefly wood, and also dung and crop residues), some 700 million are estimated to live in India alone (ESMAP, 2001). According to the Census of India, 2001, about 91% of rural and 31% of urban homes depend chiefly on traditional fuels --fuel-wood, animal and crop waste and charcoal -- for cooking¹.

Liquefied petroleum gas (LPG) is the predominant “clean” cooking fuel in India. LPG is a light distillate obtained from crude oil and the processing of natural gas. In India, it is primarily used for residential cooking, with additional applications in the industrial sector and as a transport fuel. LPG consumption in India has more than doubled over the last decade, with a compound annual growth rate of 7.2 per cent in the five-year period (fiscal year [FY] 2007/08 to FY 2011/12) prior to the most recent reforms². Much of the growth in the consumption of LPG, which is replacing traditional cooking fuels, has been carried on the back of massive subsidies. LPG in India is primarily marketed by the three main public sector oil marketing companies (OMCs)—Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). For household use, LPG is largely supplied in 14.2 kg cylinders, and is sold at both domestic (subsidized) and commercial (non-subsidized) rates. The price of the gas cylinder was subsidized. A ‘subsidy’ is a form of financial aid or support extended to an economic sector (or institution, business or individuals) generally with the aim of promoting economic and social policy. Further it is the term used to

¹ Gangopadhyay.s et.al. (2004) “Reducing subsidies on household fuels in India: how will it affect the poor?”, march, mimeo

² Subsidies to Liquefied Petroleum Gas in India: An overview of recent reforms.

https://www.iisd.org/gsi/sites/default/files/ffs_india_lpg_overview_2014.pdf accessed on 17th July 2017 at 11.08 am

relate to any type of support. Consumer subsidy is that type of subsidy which is most common in developing countries.

The distributions of connections and consumption of LPG between the rich and poor and between the rural and urban would indicate that the subsidy may to large measure be directed at the middle classes and not at those that are really poor³. Therefore an attempt has been made so that subsidy is provided only to the poor or the lower income strata of society.

The Direct Benefit Transfer for LPG (DBTL) scheme was rolled out in 291 districts in the country from 1st June 2013 in six phases covering nearly 10 crore consumers with over 3770 distributors across the three PSU Oil Marketing Companies. The direct benefit transfer for LPG (DBTL) scheme was introduced to curb diversion and weed out duplicate connections. Direct Benefit Transfer for LPG (DBTL) scheme to provide LPG subsidies directly into consumers' bank accounts. An amount of Rs.5400 crore was successfully transferred to more than 2.8 crore LPG consumers across the country till 8th March 2014 under DBLT. Government is concerned about the Subsidy burden as well as about the variation of the prices of LPG cylinders in the country. So, for the sake of benefit of LPG consumers, the Government has launched the Direct Benefits of LPG (DBTL) Scheme" for LPG Subsidy. As many customers faced problems in linking their Aadhar card, the Government launched the modified version of scheme keeping in mind the issues faced earlier.

The new DBTL scheme was launched on 15th November 2014 for the 54 districts of the country. For the remaining districts, the scheme has started on the first day of New Year that is 1st January 2015. The new LPG subsidy Pahal (DBTL) scheme is a newer and possibly better version of DBTL scheme. However it was mandatory to link the Aadhaar card to be able to claim it. This caused many issues as many customers did not have Aadhaar cards and they found it difficult to claim LPG subsidy. The scheme is active throughout the country.

But, to resolve the problem of Adhar card, new initiative was launched. The customers who will join this⁴ Pradhan Mantri Yojana will get the subsidy cash deposited to their bank account directly. Hence, the government will refer such customers as "cash transfer complaint" or CTC in short. The customers who were a part of the Pahal (DBTL) scheme launched by the government earlier, and who had linked their Aadhaar cards to their bank accounts, will continue to receive the subsidy same way. They cannot take down their Aadhaar information and join the newer version of the scheme. The total subsidy (2013-14) on LPG was Rs. 46,458 crore, accounting for 25% of the overall fuel subsidy burden of Rs.1, 39,869 crore. Hence, it is imperative to infuse transparency and efficiency in the LPG supply chain to achieve twin objectives of reduction in diversion and improving consumer services.

However, DBT⁵ generates a new, and problematic, dependence on the banking system. But the most important challenge is generic for the DBT approach. It relates to the banking network, which is the backbone of the DBT system. Hence, the system cannot work if the beneficiary does not have a bank account. Unfortunately, the Jan Dhan Yojana programme notwithstanding, banking penetration among the target beneficiaries is still quite limited, especially in rural area. Though it is not viable to have a commercial bank branch in every village, all villages can be served through the new payments banks and banking correspondents. An important step in cracking this problem is the linking of Jan Dhan Yojana

³Gangopadhyay.s et.al. (2004) "Reducing subsidies on household fuels in india:how will it affect the poor?", march, mimeo

⁴http://www.swaniti.com/wp-content/uploads/2016/04/LPG-Subsidy_Policy-Brief.pdf

⁵<https://www.wlpga.org/wp-content/uploads/2016/06/Give-it-Up-Campaign-Case-Study-Final.pdf>

with Aadhaar, the unique biometric identification system. Aadhaar is now backed by an Act of Parliament and is reported to have covered virtually the entire population. Linking of the two systems is also being actively pursued. Even, bank staffs are reluctant to cooperate in opening accounts, especially unprofitable 'zero balance' accounts, for poor customers

Hon'ble Prime Minister on 27th of March 2015 formally launched⁶ the "give it up" in Delhi and appealed every citizens who can afford it, to come forward and give up their LPG subsidy. In April 2016, after PM Modi's appeal, the number of households that had voluntarily given up their LPG subsidy surpassed 10 million. These households surrendering subsidy represent over six percent of the total registered LPG consumer base. Over 3.6 Lakh individuals in the north east have voluntarily given up LPG subsidy. Assam led the list with close to two Lakh people giving up their subsidy. Meghalaya has the poorest contribution among the north-eastern states in voluntarily giving up LPG. Just 7404 people in the state gave up their LPG subsidy, which is the lowest number amongst the eight NE states. Under the "giveitup" campaign, over 1 crore individuals gave up their LPG subsidy as on may 1 2016, throughout the country. Maharashtra⁷ topped the list with over 16 lakh individuals giving up their subsidy followed by Uttar Pradesh with 12 lakh and Karnataka over 7 lakh. Every consumer giving up LPG subsidy is recognised by being listed on a 'scroll of honour' and mapped on to the name of a corresponding BPL family receiving an LPG connection. This scheme, therefore, helps address the thorny, yet urgent, issue of how to channel subsidies to those who need them the most. Interestingly, the campaign may also be one of the most significant public health campaigns in today's India.

REVIEW OF LITERATURE

A Brief Review of Literature is Given Below

Vinayagamoorthy et al., (2007)⁸ in their study which has been conducted at Salem city to identify the service quality of Indane gas, indicates that customers are not highly satisfied with the service provided by the Indane gas. So the company took some serious action to improve the service quality.

Saraf et al., (2009)⁹ in their study, revealed that LPG system requires more safety. In case of leakage LPG has tendency to accumulate near ground as it is heavier than air. This is hazardous as it may catch fire.

Anyon P, (2009)¹⁰ concluded that, "Making "clean fuel" choices can directly help to improve the wellbeing of whole communities. Improvements in public health flowing from the use of cleaner fuels not only reduces the cost of providing health care and social services, but also contributes to the broader economy by helping to avoid the impacts of diminished productivity.

⁶ Timesofindia.indiatimes.com/city/indore/Give-it-up-campaign-a-hit-200-people-surrendering-LPG-subsidy-daily/articleshow/47999773.cms

⁷ *Kirk R Smith & Ambuj D Sagar(2016)LPG subsidy: Analysing the 'Give it Up' scheme,the economics times.*

⁸ *Dr. A. Vinayagamoorthy, C. Sankar & M. Sangeetha (2007), "Study on Service Quality Perception of Domestic LPG", Abhinav National Monthly refereed Journal of Research in Commerce & Management, Vol. 1(10), PP. 134–148*

⁹ *R.R. Saraf, S.S.Thipse & P.K. Saxena (2009), "Comparative Emission Analysis of Gasoline/LPG Automotive Biofuel Engine", The World LP Gas Association Reports.*

¹⁰ ¹⁴*Peter Anyon (2009), "LP Gas: Healthy Energy for a Changing World", The World LP Gas Association*

Mukherjee J., (2010)¹¹ in his article entitled, “Distribution & Retailing of LPG in India”, concluded that, “We have seen the contrast between the different market segments prevailing in Indian LPG industry. To be more precise, we saw how the domestic segment is quite different from its counterpart industrial and bulk segment, be it the implications of subsidy, demands of users or the interference from the government. Further, we studied the supply and logistic involved in LPG distribution and how the number of agencies in a region are optimized to reduce the deadweight loss to the society. Lastly, we dealt with the scope of growth for LPG in Indian market and threat from its close and worthy substitute.

Priyan & Karthihaiselvi (2010)¹² in their study, “Customers' opinion towards Indane gas dealers”, found that, most of the customers are of the opinion that there is a delay in providing cylinder. It is suggested that there should be one more dealer in Sivakasi so as to distribute gas cylinder quickly. Majority of the customers prefer Indane gas for the reasons like economy, convenience, time saving and cleanliness. As LPG has been moved towards buyers market, the dealer should provide better customers service that his competitors in order to have repeated sales, increased clientele and eventually sustainable development.

According to the report, ARGUS LPG World, News, Prices and analysis (2011)¹³, stated that, India is making a renew attempt to curb the abuse of heavily subsidized fuel such as LPG. The LPG Industry finds itself as often happens with global political shocks, on the wrong side of the political turmoil. International LPG prices look as they will bulk the normal spring trend and push sharply higher. They have little choice, given the surge in crude prices. LPG price has surge already begun. So the LPG does not appear to have been lost to the Mediterranean market. The LPG industry must brace itself for a period of extreme price volatility.

Chikwendu CC. (2011)¹⁴ concluded that, “Making LPG accessible to all through making it available across socioeconomic groups can be achieved by locating LPG depots strategically across the country to assure uninterrupted product availability and price stability.

Jarurungsipong R. & Rakthum.N. (2012)¹⁵ in their study, Price Controls Support LPG Fuel Consumption argues that, LPG consumption will be significantly reduced if the government allows the retail prices of LPG in all segments to rise to market price levels.

Patil B. (2012)¹⁶, conducted a study titled, “Customer satisfaction on bharat gas agencies in Coimbatore”, and he concluded that, the gas agency are well established in providing satisfactory after sales services to its customers. By seeing the observations most of the customers are having positive perception towards that particular gas agency and are satisfied with its services such as Availability of Timely and safe delivery, Staff support, Trained Mechanics etc.

¹¹ Joydeep Mukherjee (2010), “Distribution & Retailing of LPG in India”, Education Services Marketing, Case Study

¹²J. Vimal Priyan & V. Karthihaiselvi (2010), “Customers' Opinion towards Indane Gas Dealers”, International Journal of Enterprise and Innovation Management Studies, Vol. 1(3). PP.55-67

¹³ Argus LPG world news, prices and analysis(2011), , www.parliament.wa.gov.au/publications/taledpapers.nsf.../3232.pdf vol:17(5).PP.4-7

¹⁴ C. Chike Chikwendu (2011), “Change-over from Kerosene to LPG Use”, ENERGIA Africa –A Family Case Study .”Energia:International Network on Gender and Sustainable Energy,January 2011

¹⁵ Ruangwud Jarurungsipong & Nopalak Rakthum (2012), “Price Controls Support LPG Fuel Consumption Argues”, Industry Research LPG Wholesaler, TRIS Rating, 30 Nov 2012

¹⁶ Babasab Patil (2012), “Customer Satisfaction on Bharat Gas Agencies in Coimbatore”, Bharat Book Bureau presents UK Consumer Satisfaction Index, Indian research journals, Vol:6(4).PP.4-7

Tarapore S.S.(2013)¹⁷ in his article “LPG subsidy: Twists and turns in the tale”, found that the initial mistake in phasing out or reducing the LPG subsidy was the introduction of multiple pricing. The problem was compounded by linking the number of cylinders used with the subsidized price. More appropriately, the subsidy should have been linked to the merit of the consumers and not the cylinders consumed. By linking the subsidy to the number of cylinders consumed, the subsidy got directed to those who clearly do not deserve the subsidy. The task of dealing with 140 million LPG connections was not clearly perceived by the policymakers. The brunt of the pressure fell on the final distributors, who faced the ire of consumers storming their small offices, while the government barraged the distributors with a proliferation of instructions. The nation needs to salute the large number of distributors who have borne the burden of immense pressure with great courage and fortitude. It is fortunate that the distributors and the Oil Marketing Companies (OMC) had very efficient computerized data systems which could track all customers.

Krishnan et.al, (2015)¹⁸ This study titled “Consumer Satisfaction towards Direct Benefit Transfer OF LPG (DBTL) Scheme with reference to Chennai, Avadi” aims at analyzing the satisfaction level of LPG users towards this scheme.

Kumar.S., (2015)¹⁹ The customer satisfaction is much admired topic in marketing practices and researches based on the customers. The customer is king and the main objective of every organization is to increase the number of satisfied customer so as to increase loyalty as well as the revenue. This study is conducted with the aim to know the satisfaction level of the LPG domestic customers towards the DBTL (Pahal) scheme launched by the Government for the customer who opted for subsidy.

Kumar M. M and Vishwajeet, (2016)²⁰ The present scenario in LPG industry there are many opportunities for LPG to contribute to improved living standards. The main purpose of the study is to understand the attitude and satisfaction of consumer towards after sales and service of Vasavi Bharat gas agency which will help the company to make proper marketing strategy to rendered good services and satisfy the needs of the customer. The study will help the company to make proper strategy and emphasize on their weaker areas.

Das and Bhattacharjee (2016)²¹ This growing demand coupled with rising international prices has put increased pressure on LPG subsidy burden. The introduction of DBTL undoubtedly has a lot of merits, but it has also generated a lot of problems on the part of the consumers.

¹⁷ S.S Tarapore (2013) “LPG subsidy: Twists and turns in the tale”, ‘The Free Press Journal’. Accessed on 28th august 2016.PP.13-15.

¹⁸ Krishnan M.Yadhu , Das.U.Vishnu and Subramani A.K.(2015) “Consumer Satisfaction Towards Direct Benefit Transfer Of LPG (DBTL) Scheme with Reference To Chennai Avadi” Excel International Journal of Multidisciplinary Management Studies, Vol:5 (6),PP.22-29

¹⁹ Kumar S. (2015). “ Customer satisfaction from PAHAL (DBTL) scheme among LPG domestic customer” World Wide Journal Of Multidisciplinary Research and Development,Vol:1(1).PP.14-17.

²⁰ kumar M Mahesh and, Vishwajeet.(2016) “A Study on Consumer Attitude and Satisfaction towards Bharat Gas LPG Domestic Users Bidar-Karnataka” International Journal of Engineering Science and Computing,Vol:6(5).PP.4710-4716

²¹ Das and Bhattacharjee. (2016)³⁰ “Direct Benefit Transfer for LPG – A Consumer Perspective”. Abhinav International Monthly Refereed Journal of Research in Management & Technology. Vol.5.(8).PP.43-48.

Jain et.al.(2014)²² The primary objective of this study is to analyse the efficacy of LPG subsidy in making clean cooking fuel affordable for households across the economic strata; and to suggest appropriate reforms to rationalise the subsidy mechanism to meet the energy needs of underserved population.

A.Mohapatra (2015)²³ Direct Benefits Transfer (DBT), as a new public policy, has been acknowledged by various segments of the society as an initiative for inclusiveness. It is a mechanism through which the target beneficiaries will get the LPG subsidy amount in cash that shall be credited directly to their accounts by linking all the transactions to Aadhaar. DBT envisages a switch from the present subsidy scheme to transfer of benefits directly to Aadhaar seeded bank accounts of the beneficiaries. It is an earnest endeavour to streamline the subsidy mechanism in India. The scheme has potential to control much rooted corruption in public distribution system, by reducing the intermediate cost, by improving the efficiency of the delivery system and by getting rid of the misuse of funds.

Times of India (PTI. May 4 2016)²⁴ Government has saved over Rs 21,000 crore in cooking gas LPG subsidy in the last two financial years as paying the dole directly into bank accounts of actual users helped eliminate duplicate connections as well as diversions, as said by oil minister Dharmendra Pradhan.

Singh P. (TNN. Sep 22, 2016)²⁵ As a part of conscious decision by the Union Ministry of Petroleum and Natural Gas, the subsidy amount being transferred to the customer's bank account after getting a cylinder refill is constantly declining by Rs 2 every month. The Centre wants to cease giving subsidy to people after some time, so has started decreasing the subsidy amount in a phased manner. This is to ensure that public doesn't panic and waving off subsidy doesn't cause financial burden at once.

Times of India (Dec 21, 2016)²⁶ The oil ministry had, in December last year, decided to end the subsidy for economically well-off households. If one earns a taxable income of Rs 10 lakh or more a year, they won't get gas subsidy. If one earn a taxable income of Rs 10 lakh or more a year but are still claiming subsidy on cooking gas refills, one may not escape scrutiny much longer. State-run fuel retailers have their income data and are taking steps to plug leakage of government dole meant for the poor.

Times of India (Oct 4, 2016)²⁷ The government has made Aadhaar mandatory for availing cooking gas (LPG) subsidies but has given two months grace period for citizens to get the unique identification number. Till the time Aadhaar is assigned, LPG subsidy would be transferred based on bank photo passbook and Aadhaar enrolment ID slip or his voter ID card or ration card or kisan photo passbook or passport of driver license along with copy of request for Aadhaar enrolment.

²² Jain .A. Agarwal. S and Ganesan .K (2014) "Rationalising subsidies reaching the underserved Improving Effectiveness of Domestic LPG Subsidy and Distribution in India" CEE Report.New Delhi.PP.1-60

²³ Mohapatra. A. M (2015) "Direct Benefits Transfer (DBT) in India: An Initiative for Inclusiveness" International Journal of Technical Research and Applications. Special Issue. 21.PP.5-8

²⁴ Times of India.Government (2016) saves Rs 21,000 crore in LPG subsidy.PTI May 4, 2016 .accessed on 12th July 2017

²⁵ Singh .P.(2016) LPG subsidy amount on a constant decline since April 2016,Times of India.accessed on 12th July 2017.

²⁶ Times of India (2016)³⁶ Oil companies get I-T data, to take rich off gas subsidy accessed on 12th July 2017

²⁷ Times of India(2016) Aadhaar card must for LPG subsidy after November.accessed on 12th July 2017

Botekar.A (2016)²⁸ Petroleum gas companies have started sending messages to liquefied petroleum gas consumers to submit their Aadhaar numbers with a warning that the ones who do not comply with the same stand to lose their subsidy. Those not submitting Aadhaar number will not get subsidy. It will, however, be diverted in parking funds till September 2016. Even if the Aadhaar numbers were not submitted till then, the amount would lapse.

JUSTIFICATION OF THE STUDY

In this backdrop, this is an independent performance evaluation of the modified DBTL scheme, with a focus on assessing the efficacy of the scheme against its stated objectives and its implementation process, as well as satisfaction of customers with the scheme's implementation and impact. This type of research finds more attention in the context of semi urban areas whether benefit has percolated down the stream.

OBJECTIVES OF THE STUDY

- To study the awareness and attitude towards LPG subsidy schemes in households.
- To analyze the satisfaction level of LPG consumers towards the initiative taken by Government and bank with reference to LPG subsidy.
- To analyze the satisfaction level of the customer regarding service delivery by the Distributor

Working Hypotheses

- The awareness is not high and attitude is positive towards the LPG subsidy schemes in households.
- The satisfaction level of LPG consumers towards the initiative taken by Government and bank with reference to LPG subsidy is high.
- The satisfaction level of the customer regarding service delivery by the Distributor is not high.

Research Design

Here, the type of research carried out is descriptive in nature.

Sampling Design

The customer survey was a done through mainly based on convenience sampling method. A total usable sample of 100 respondents was collected during the period from September to December 2016.

Data Collection Design

In this research primary data and secondary data were used. Primary data were collected using questionnaire. This was a self structured questionnaire. Closed-ended questionnaire were applied in this research. The secondary data have been collected from various journals, magazines, books, newspapers, reports of Government and websites.

Analysis Design

The study is descriptive and analytical in nature. After collecting data from the field and other secondary sources

²⁸ Botekar .A.(2016) Submit Aadhaar number or forget LPG subsidy.Times of India.accessed on 12th July 2017

it was analysed using descriptive statistical techniques i.e. mostly using tables.

ANALYSIS AND INTERPRETATIONS

The study is descriptive and analytical in nature. After collecting data from the field and other secondary sources it was analysed and presented below by using statistical techniques. Interpretation represents outcome of the analysis of data collected from the respondents.

Profile Analysis of the Respondents

Table 1: Age Wise Distribution of Respondents

Age [years]	Frequency	Percent
30 and below	10	10
31 to 40	28	28
41 to 50	33	33
51 to 60	17	17
61 and above	12	12
Total	100	100.0

Source: Compiled from survey data.

The table 1 demonstrated that LPG Subsidy is availed across different ages.

Table 2: Sex Wise Distribution of Respondents

	Frequency	Percent
female	15	15.2
male	84	84.8
Total	99	100.0

Source: Compiled from survey data.

The table 2 demonstrated that 15.2% of respondents are female and 84.8% of respondents are male having LPG connections.

Table 3: Family Type

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	joint	36	36.4	36.4	36.4
	unitary	63	63.6	63.6	100.0
	Total	99	100.0	100.0	

Source: Compiled from survey data.

The table.3 demonstrated that 36.4% of respondents belong to joint family and 63.6% of respondents belong to unitary family.

Table 4: Family Size Adult

No of Adult member in the family	Frequency	Percent	Valid Percent	Cumulative Percent
1.00	1	1.0	1.0	1.0
2.00	50	50.5	50.5	51.5
3.00	24	24.2	24.2	75.8

4.00	11	11.1	11.1	86.9
5.00	5	5.1	5.1	91.9
6.00	5	5.1	5.1	97.0
8.00	3	3.0	3.0	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The table 4 demonstrated that 50.5% of respondents have 2 adults, 24.2% of respondent have 3 adults and 11.1% of respondents have 4 adults in the family.

Table 5: Family Size Child

No of children in the family	Frequency	Percent	Valid Percent	Cumulative Percent
.00	10	10.1	10.1	10.1
1.00	20	20.2	20.2	30.3
2.00	36	36.4	36.4	66.7
3.00	22	22.2	22.2	88.9
4.00	8	8.1	8.1	97.0
5.00	1	1.0	1.0	98.0
6.00	1	1.0	1.0	99.0
8.00	1	1.0	1.0	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The table 5 demonstrated that 36.4% of respondents have 2 children, 22.2% of respondent have 3 children and 20.2% of respondent have 1 child

Table 6: Family Income Wise Distribution of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
20000-40000	24	24.2	24.2	24.2
40000-60000	16	16.2	16.2	40.4
above 60000	54	54.5	54.5	94.9
above 60000	1	1.0	1.0	96.0
below 20000	4	4.0	4.0	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The table 6 demonstrated that majority of the respondents' i.e.54.5percentage of the respondents having income of Rs.60000, 24.2% of respondents have income level between Rs.20000-40000, and 16.2% of respondents have income between Rs.40000-60000.

Table 7: Educational Background Wise Distribution of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
graduate	15	15.2	15.2	15.2
illiterate	45	45.5	45.5	60.6
post graduate	11	11.1	11.1	71.7
UPTO hs/12TH	28	28.3	28.3	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The table 7 demonstrated that 45.5% of respondents are illiterate, 28.3% of respondents are HS passed and 15.2% of respondents are graduates.

Table 8: How Long Have Respondents Been Using the LPG Product/Service?

	Frequency	Percent	Valid Percent	Cumulative Percent
1year-3year	11	11.1	11.1	11.1
3years-5year	10	10.1	10.1	21.2
5 years or more	77	77.8	77.8	99.0
less than 6 months	1	1.0	1.0	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 8 demonstrated that 72.7% of respondents are using for 5 years or more, 11.1% of respondents are using from 1-3 years and 10.1% of respondents are using for 3-5 years.

Therefore we can say that LPG product/service is very popular among the respondents.

Table 9: How frequently do Respondents Purchase LPG

	Frequency	Percent	Valid Percent	Cumulative Percent
every 2-3 months	21	21.2	21.2	21.2
every 2-3 weeks	7	7.1	7.1	28.3
every 4-6 months	2	2.0	2.0	30.3
EVERY MONTH	69	69.7	69.7	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 9 demonstrated how frequently respondents purchase LPG. According to this table 69.7% of respondents purchase LPG every month, 21.2% of respondents purchase every 2-3 months and 6.1% of respondents purchase LPG every 2-3 weeks.

Therefore majority of respondents purchase LPG frequently.

Table 10: How would Respondents Rate Respondents Overall Satisfaction

	Frequency	Percent	Valid Percent	Cumulative Percent
neutral	11	11.1	11.1	11.1
not satisfied	1	1.0	1.0	12.1
somewhat satisfied	11	11.1	11.1	23.2
VERY SATISFIED	76	76.8	76.8	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 10 demonstrated whether respondents are satisfied with the LPG subsidy. According to the table 76.8% of respondents are very satisfied, 11% of respondent are neutral and 11% of respondents are somewhat satisfied. Here we have seen that only 1% of respondents are not satisfied with LPG subsidy scheme.

Table 11: How Often Have Respondents Received LPG Subsidy

	Frequency	Percent	Valid Percent	Cumulative Percent
1time	2	2.0	2.0	2.0
2 times	4	4.0	43.0	6.1
3 OR MORE TIMES	80	80.8	80.8	86.9
4 OR MORE TIMES	1	1.0	1.0	87.9
5 OR MORE TIMES	1	1.0	1.0	88.9
None	11	11.1	11.1	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 11 demonstrated how often respondents have received LPG subsidy. According to this table 76.8% respondents have received subsidy 3 or more times, 11.1% of respondents are neutral have not received subsidy and 3% of respondents have received subsidy only 2 times.

Therefore we can say that only 1% of respondents have received subsidy for 5 or more times.

Table 12: Do Respondents Think LPG Subsidy is Necessary For any Individuals?

	Frequency	Percent	Valid Percent	Cumulative Percent
no	6	6.1	6.1	6.1
YES	93	93.9	93.9	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 12 demonstrated that whether LPG subsidy is necessary for individuals or not. According to this table 93.9 % of respondents find that LPG subsidy is necessary for all individuals and only 6.1% of respondents think that it is not necessary for all individuals.

Table 13: Do Respondents think that LPG Subsidy will Help Rural Poor to Access LPG?

	Frequency	Percent	Valid Percent	Cumulative Percent
no	8	8.1	8.1	8.1
YES	91	91.9	91.9	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 13 demonstrated that LPG subsidy aims at covering the benefits helping rural poor availing LPG. According to this table 91.9% of respondents that LPG subsidy will help rural poor to access LPG and 8.1% of respondents are of the opinion that that LPG subsidy will help rural poor to access LPG.

Therefore from the table we can say that majority of the respondents are of the opinion that that LPG subsidy will help rural poor to access LPG.

**Table 14: Why have Respondents not Received LPG Subsidy Yet Though?
Respondents Have Purchased LPG A Number of Times?**

	Frequency	Percent	Valid Percent	Cumulative Percent
no information about DBTL	1	1.0	1.0	1.0
NOT APPLICABLE	98	99.0	99.0	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 14 demonstrated that 98% of the respondents are not facing any problem in receiving LPG subsidy regularly and only 1% of respondents are not receiving LPG subsidy regularly though purchasing LPG.

Table 15: Has It Happened That Cylinder Was Delivered But Respondents Have Not Received Any Subsidy In the Bank Account?

	Frequency	Percent	Valid Percent	Cumulative Percent
NO	88	88.9	88.9	89.9
yes	11	11.1	11.1	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 15 demonstrated that 88.9% of respondents have always received subsidy in bank account and 11.1% of respondent has not received subsidy despite linking their accounts to banks.

Table 16: Have Respondents Ever Contacted the Call Centre/LPG Distributor, If there Is a Failed Transaction?

	Frequency	Percent	Valid Percent	Cumulative Percent
NO	97	98.0	98.0	98.0
yes	2	2.0	2.0	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 16 demonstrated that 98% of respondents have never contacted call centre and 2% of respondent have contacted the call centre. From the table it is clear that despite having failed transactions only few respondents have contacted the call centre

Table 17: Advised By a Customer Care Executive that the Subsidy Has Been Transferred on Dd/Mm/Yy to Xyz Bank. but Respondents do not Have An Account in Xyz Bank. What Should Respondents do?

	Frequency	Percent	Valid Percent	Cumulative Percent
NOT INTERESTED	99	100.0	100.0	100.0

Source: Compiled from survey data.

The results of the table 17 demonstrated that 100% of respondents were not interested since consumers are very aware that without bank account one cannot receive subsidy

Table 18: Have Respondents LPG Account Blocked?

	Frequency	Percent	Valid Percent	Cumulative Percent
NO	97	98.0	98.0	98.0
yes	2	2.0	2.0	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 18 demonstrated that 98% of respondents has never found their accounts blocked and 2% of respondents have found their accounts blocked

Table 19: Do Respondents Support the LPG Subsidy Surrender Campaign?

	Frequency	Percent	Valid Percent	Cumulative Percent
NO	83	83.8	83.8	83.8
YES	16	16.2	16.2	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 19 demonstrated that 83.8% of respondents do not support the LPG subsidy campaign and 16.2% of respondents support the 'giveitup' campaign.

Table 20: Would Respondents Recommend LPG Subsidy Availing To A Friend/Colleague?

	Frequency	Percent	Valid Percent	Cumulative Percent
NO	44	44.4	44.4	44.4
YES	55	55.5	55.5	100.0
Total	99	100.0	100.0	

Source: Compiled from survey data.

The results of the table 3.20 demonstrated that 55.5% of respondents will recommend LPG subsidy availing to a friend/colleague and 44.4% of respondents will not recommend LPG subsidy availing to a friend/colleague

Given the Working Hypotheses and Analysis, It May Be Concluded That

- The awareness appears to be high and attitude appears to be positive towards the LPG subsidy schemes in households.
- The satisfaction level of LPG consumers towards the initiative taken by Government and bank with reference to LPG subsidy appears to be high.
- The satisfaction level of the customer regarding service delivery by the Distributor appears to be high.

On the Basis of Above Findings and Observations Made During the Study the Following Suggestions and Recommendations Are Given-

- Based on the findings, it can be suggested that the Government which are engaged in promotion of LPG subsidy should monitor the LPG subsidy scheme closely to maintain vis a vis achieve more standard of success; they

should work more on curbing the benefits from the richer sections.

- The study findings suggest, many gaps afflicted the rollout of the scheme, particularly due to lack of information and involvement of banks in the scheme. These needs correction.
- Though majority of the customers enrolled into the scheme they are still not aware about the objectives of the scheme. Moreover more awareness about the objectives of the scheme campaigns must be conducted.
- In order to improve the scheme's coverage awareness about the specifics of the enrolment process, opening new bank accounts, the subsidy transfer process and the grievance redressal mechanism should be reviewed based on the opinion of the customers.

SCOPE OF FUTURE RESEARCH

The present study can be extended

- -To cover larger size of samples.
- -To cover larger geographical areas covering more different districts.
- -To have comparisons with other aspects of agencies and workers associated with government schemes through DBT.

Limitations of the Study

- The study is sample size is confined to 100 only.
- 4. The study is conducted in semi-urban areas hence the illiteracy of the respondent may affect the result of the study.
- 5. The response received from consumer may not represent the views of the universe.
- 8. The findings and suggestions are based on the information given by the respondents. These need to be cross checked.
- 9. The fact that the customers lacked information about the process as well as the grievance redressal mechanism was further confirmed during the distributor survey.

REFERENCES

1. Gangopadhyay.s et.al. (2004) "Reducing subsidies on household fuels in India:how will it affect the poor?", march, mimeo.
2. Subsidies to Liquefied Petroleum Gas in India: An overview of recent reforms. https://www.iisd.org/gsi/sites/default/files/ffs_india_lpg_overview_2014.pdf accessed on 17th July 2017 at 11.08 am.
3. Gangopadhyay.s et.al. (2004) "Reducing subsidies on household fuels in india:how will it affect the poor?", march, mimeo.

4. http://www.swaniti.com/wp-content/uploads/2016/04/LPG-Subsidy_Policy-Brief.pdf.
5. <https://www.wlpga.org/wp-content/uploads/2016/06/Give-it-Up-Campaign-Case-Study-Final.pdf>.
6. Timesofindia.indiatimes.com/city/indore/Give-it-up-campaign-a-hit-200-people-surrendering-LPG-subsidy-daily/articleshow/47999773.cms.
7. Kirk R Smith & Ambuj D Sagar(2016)LPG subsidy: Analysing the ‘Give it Up’ scheme,the economics times.
8. Dr. A. Vinayagamoorthy, C. Sankar & M. Sangeetha (2007), “Study on Service Quality Perception of Domestic LPG”, Abhinav National Monthly refereed Journal of Research in Commerce & Management, Vol. 1(10), PP. 134–148.
9. R.R. Saraf, S.S.Thipse & P.K. Saxena (2009), “Comparative Emission Analysis of Gasoline/LPG Automotive Biofuel Engine”, The World LP Gas Association Reports.
10. Peter Anyon (2009), “LP Gas: Healthy Energy for a Changing World”, The World LP Gas Association.
11. Joydeep Mukherjee (2010), “Distribution & Retailing of LPG in India”, Education Services Marketing, Case Study.
12. J. Vimal Priyan & V. Karthihaiselvi (2010), “Customers' Opinion towards Indane Gas Dealers”, International Journal of Enterprise and Innovation Management Studies, Vol. 1(3). PP.55-67.
13. Argus LPG world news, prices and analysis(2011),, [www.parliament.wa.gov.au/ publications/ tables/papers.nsf.../3232.pdf](http://www.parliament.wa.gov.au/publications/tables/papers.nsf.../3232.pdf) vol:17(5).PP.4-7.
14. C. Chike Chikwendu (2011), “Change-over from Kerosene to LPG Use”, ENERGIA Africa –A Family Case Study.”Energia:International Network on Gender and Sustainable Energy,January 2011.
15. Ruangwud Jarurungsipong & Nopalak Rakthum (2012), “Price Controls Support LPG Fuel Consumption Argues”, Industry Research LPG Wholesaler, TRIS Rating, 30 Nov 2012.
16. Babasab Patil (2012), “Customer Satisfaction on Bharat Gas Agencies in Coimbatore”, Bharat Book Bureau presents UK Consumer Satisfaction Index, Indian research journals,Vol:6(4).PP.4-7.
17. S.S Tarapore (2013) “LPG subsidy: Twists and turns in the tale”, ‘The Free Press Journal’. Accessed on 28th august 2016.PP.13-15.
18. Krishnan M.Yadhu, Das.U.Vishnu and Subramani A.K.(2015) “Consumer Satisfaction Towards Direct Benefit Transfer Of LPG (DBTL) Scheme with Reference To Chennai Avadi” Excel International Journal of Multidisciplinary Management Studies, Vol:5 (6),PP.22-29
19. Kumar S. (2015). “ Customer satisfaction from PAHAL (DBTL) scheme among LPG domestic customer” World Wide Journal Of Multidisciplinary Research and Development,Vol:1(1).PP.14-17.
20. kumar M Mahesh and, Vishwajeet.(2016) “A Study on Consumer Attitude and Satisfaction towards Bharat Gas LPG Domestic Users Bidar-Karnataka” International Journal of Engineering Science and Computing,Vol:6(5).PP.4710-4716

21. Das and Bhattacharjee. (2016)³⁰ “Direct Benefit Transfer for LPG – A Consumer Perspective”. Abhinav International Monthly Refereed Journal of Research in Management & Technology. Vol.5.(8).PP.43-48.
22. Jain.A. Agarwal. S and Ganesan.K (2014) “Rationalising subsidies reaching the underserved Improving Effectiveness of Domestic LPG Subsidy and Distribution in India” CEE Report.New Delhi.PP.1-60
23. Mohapatra. A. M (2015) “Direct Benefits Transfer (DBT) in India: An Initiative for Inclusiveness” International Journal of Technical Research and Applications. Special Issue. 21.PP.5-8
24. Times of India.Government (2016) saves Rs 21,000 crore in LPG subsidy.PTI May 4, 2016.accessed on 12th July 2017
25. Singh.P.(2016) LPG subsidy amount on a constant decline since April 2016,Times of India.accessed on 12th July 2017.
26. Times of India (2016)³⁶ Oil companies get I-T data, to take rich off gas subsidy accessed on 12th July 2017
27. Times of India(2016) Aadhaar card must for LPG subsidy after November.accessed on 12th July 2017
28. Botekar.A.(2016) Submit Aadhaar number or forget LPG subsidy.Times of India.accessed on 12th July 2017