

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

UNSTARRED QUESTION NO:1935
ANSWERED ON:05.08.2010
SUBSIDY ON LPG FOR BPL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the details of subsidies given on petroleum products by the Union Government during each of the last three years, product-wise;
- (b) whether there is any scheme which envisages the subsidy on LPG for BPL families;
- (c) if so, the details thereof;
- (d) whether the Government will involve the private sector oil marketing companies in this scheme; and
- (e) if so, the method outlined to absorb the extra burden on the exchequer arising due to this subsidy?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS(SHRI JITIN PRASADA)

(a): The details of fiscal subsidy given by the Government under the "PDS Kerosene and Domestic LPG Subsidy Scheme 2002" to the Public Sector Oil Marketing Companies (OMCs) during the last three years are given below:

(Rs./crore)
2007-08 2008-09 2009-10

Fiscal Subsidy on PDS 2641 2688 2770
Kerosene and Domestic LPG

In addition to the fiscal subsidy, under the burden sharing mechanism, Government has partially compensated the under-recoveries incurred by the OMCs on the sale of sensitive petroleum products namely, Petrol, Diesel, PDS Kerosene and Domestic LPG, as per the details given below:

(Rs./crore)
2007-08 2008-09 2009-10

Government-through issue of 35290 71292 26000#
Oil bonds/Cash assistance

Out of Rs.26,000 crore, Rs.12,000 crore have been released to the OMCs.

(b): No, Madam.

(c)to(e): Do not arise in view of (b) above.