

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

UNSTARRED QUESTION NO:743
ANSWERED ON:04.08.2011
DISTRIBUTION OF SUBSIDISED FUEL
Dharmshi Shri Babar Gajanan

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

- (a) whether the present system of distribution of subsidized fuel does not differentiate between the needy and those who can afford to pay market price;
- (b) if so, the details thereof;
- (c) whether even billionaires get the fuel at subsidized rates in the present system; and
- (d) the measures being taken by the Central Government to bring reforms in distribution system so that the benefits of subsidy reach the needy persons?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH)

- (a) to (c): In the present system of distribution of subsidized fuel, petroleum products viz. Diesel and domestic LPG are available to all classes of customers at the same rate of subsidy without any differentiation. However, distribution of Public Distribution System (PDS) kerosene is a restricted supply available only to valid Ration Card holders. Further, the subsidy on PDS kerosene is limited to the quota allocated to the States/UTs who have their own parameters of distribution varying from State to State.
- (d) : The Government has constituted a Task Force on Direct Transfer of subsidies on kerosene and LPG to recommend an implementable solution.