

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

UNSTARRED QUESTION NO:1883
ANSWERED ON:08.03.2013
PRICE OF LPG CYLINDERS
Sugumar Shri K.

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

- (a) whether the Government proposes to allow the Oil Marketing Companies to revise the price of Liquefied Petroleum Gas (LPG) cylinders as and when the cost on such product increases;
- (b) if so, the details thereof;
- (c) whether the Government has received any proposal in this regard from Oil Marketing Companies; and
- (d) if so, the details thereof and the action taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SMT. PANABAACA LAKSHMI)

(a) & (b) In order to insulate the common man from the impact of rise in oil prices in the international market and in view of the domestic inflationary conditions, Government continues to modulate the Retail Selling Price of Subsidized Domestic LPG (14.2 kg/cylinder), resulting in incidence of under-recoveries to the Public Sector Oil Marketing Companies (OMCs). Based on the Refinery Gate Price (RGP) effective 1.3.2013, OMCs are incurring under-recovery of rs 439.00 per 14.2 kg cylinder on Subsidized Domestic LPG.

However, the Government took the decision to restrict the supply of Subsidized Domestic LPG cylinders to each consumer at 6 cylinders (of 14.2 kg) per annum, which has been subsequently enhanced to 9 cylinders per annum with effect from 17/18.01.2013. Any number of Domestic LPG cylinder beyond the aforesaid restriction on supply of Subsidized Domestic LPG are available to consumers at non-subsidized rates, which is being notified by OMCs on monthly basis.

(c) No, Madam.

(d) Does not arise.