GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
LOK SABHA
UNSTARRED QUESTION NO. 1057
Friday, February 8, 2019/Magha 19, 1940 (Saka)
WITHDRAW KEROSENE SUBSIDY

1057. KUNWAR BHARATENDRA:

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government intends to withdraw kerosene subsidies completely in the next few years, if so, the details thereof and the reasons therefor;

(b) Whether the Government has taken stock of the affected households as a result of this policy, if so, the details thereof; and

(c) Whether the Government is preparing a plan or strategy for households that lack a grid connection or reliable source of power, if so, the details thereof?

ANSWER
MINISTER OF STATE FOR FINANCE
(SHRI P. RADHAKRISHNAN)

(a) to (c): Subsidy for PDS Kerosene and domestic LPG is administered by the notification dated 28 January, 2013, namely "PDS Kerosene and Domestic LPG Subsidy Scheme 2002". The budgetary allocations for PDS Kerosene for the last three years are as under:

Year	Allocation in Expenditure Budget (in Rs. Cr.)
2016-17	8860.71
2017-18	8804.15
2018-19(RE)	4550.00
2019-20 (BE) (Interim Budget)	4489.00

PDS Kerosene is used as a cooking fuel and also for illumination purpose. MoPNG has launched Direct Benefit Transfer in PDS Kerosene (DBTK) Scheme in 2016 to bring allocation and distribution reforms. With more and more households getting electrified under Saubhagya Scheme and wider and deeper penetration of LPG under DBTL (PAHAL) and Pradhan Mantri Ujjwala Yojana (PMUY), the use of PDS Kerosene which is polluting in nature is gradually coming down. The PDS Kerosene subsidy is primarily targeted to remote and hilly areas where alternative sources of fuel and grid are not available. To take care of off-grid areas, MNRE is also implementing "Off-grid and Decentralised Solar PV Applications Programme" for solar street lights, stand alone solar power plants and solar study lamps. During FY.2018-19, MoPNG has allocated 44.17 Lakh Kilo Litres of PDS Kerosene to States/UTs.

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