

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

UNSTARRED QUESTION NO:395

ANSWERED ON:01.03.2007

DUAL PRICING FOR COOKING GAS

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

- (a) whether there is any proposal to introduce dual pricing for cooking gas to tackle the burden of subsidy;
- (b) if so, the details thereof;
- (c) whether the Government is contemplating to constitute an independent Regulatory Body to fix the prices of petroleum products and proposes to extend the benefits of subsidy on petroleum products to the poor only;
- (d) if so, the initiatives taken by the Government in this regard;
- (e) the subsidy on kerosene provided during the last three years, year-wise and State-wise; and
- (f) the action taken by the Government to check the misuse of the subsidy?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a): At present there is no proposal under consideration of the Government to introduce dual pricing for domestic LPG.

(b): Does not arise in view of (a) above.

(c)&(d): No, Sir. However, Petroleum & Natural Gas Regulatory Board Act, 2006 has been notified in the Gazette of India on 3.4.2006 as Act No. 19 of 2006 to regulate refining, processing, storage, transportation, distribution, marketing and sale of petroleum, petroleum products and natural gas excluding production of crude oil and natural gas.

(e): The amount of subsidy provided from Budget on PDS Kerosene during the last three years, year-wise and State-wise is given in the Annexure.

(f): While the distribution of PDS Kerosene is controlled by the State Government Authorities, the public sector oil marketing companies (OMCs) also take various steps to check diversion of this product such as doping of kerosene with marker, strengthening of distribution network through Jan Kerosene Pariyojna, close monitoring of transport trucks, retail outlets through Global Positioning System (GPS) and regular inspections by field staff. In respect of domestic LPG, Government is closely monitoring the distribution of domestic LPG to check diversion for unauthorised uses like commercial establishment, illegal LPG vehicles. Government has advised OMCs to monitor dealer-wise sales in order to check the misuse of domestic LPG.