

Kerosene and Domestic LPG are NIL. Hence, Central Government revenue does not increase with increase in the price of these products. The Central Government provides ₹ 41,000 crore to the OMCs to part fund their under-recovery of ₹ 78,190 crore; and ₹ 2904.25 crore and ₹ 22.32 crore under the "PDS Kerosene and Domestic LPG Subsidy Scheme 2002" and "Freight Subsidy (For Far Flung Areas) Scheme, 2002" respectively.

The total contribution to the State Government Exchequer through VAT, Royalty, Octroi, Entry Tax and Dividend income etc. in 2010-11 was ₹ 88,997 crore. State taxes comprise of, *inter-alia*, Sales Tax/VAT, Entry Tax, etc. Rates of Sales Tax /VAT are either *ad-valorem* or *ad-valorem* plus specific basis. Whenever there is an increase in Retail Selling Prices of these petroleum products, the State Government's Sales Tax/VAT collection goes up correspondingly.

#### **Opening of More LPG Agencies**

2151. SHRIMATI JHARNA DAS BAIDYA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the number of LPG gas agencies in the country ;
- (b) whether new gas agencies are proposed to be opened to mitigate pressure on the existing agencies ;
- (c) if so, by when; and
- (d) if not, the reason therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R. P. N. SINGH): (a) As on 01.03.2012, Public Sector Oil Marketing Companies (OMCs) are operating 10,273 regular LPG distributorships and 1,000 Rajiv Gandhi Gramin LPG Vitaran distributorships in the country.

(b) to (d) As per the "Vision-2015" adopted for LPG sector, it is proposed that all blocks in the country to have minimum one LPG distributor, all districts to have 50% LPG coverage, all states to have minimum 60% LPG coverage and 75% LPG coverage in all India basis. Accordingly, OMCs conduct feasibility study for opening of new LPG distributorship. Locations are identified based on the economic viability and the refill sale potential. The viability of the location is based on several factors including population, population growth rate, economic prosperity of the location and the distance from the nearby existing distributor. The feasible location are rostered as per the reservation policy of the Government and advertised for inviting applications for selection of distributor. The setting up of LPG distributors, thus, is a continuous process.