(b) if so, whether the dealers are allowed to make supplies of HSD upto 2500 litres per consumer in containers other than tankers; and

(c) if not, what is the prescribed mode/containers for making the HSD supplies for generators of consumers/agriculturists?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) No, Sir.

(b) and (c) Petroleum Rules, 2002 provides for filling High Speed Diesel (HSD) in approved container of capacity not exceeding 200 litres provided that no vehicles with its engine running be allowed within 4.5 metres of the container and the dispensing pump.

Distortions in Pricing of Petroleum Products

2618. SHRI AJAY SANCHETI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the petroleum sector suffers from serious distortions in pricing products which lead to huge under recoveries and discourage private investments;

(b) if so, the details of distortions in product prices and resultant under recoveries; and

(c) the details of measures taken by Government to remove these distortions without affecting the common man?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) and (b) In order to insulate the common man from the impact of rise in international oil prices and the domestic inflationary conditions, the Government has been modulating the Retail Selling Price (RSP) of sensitive petroleum products *viz.* Diesel (in retail), PDS Kerosene and Subsidized Domestic LPG, resulting in incidence of under-recovery to the Public Sector Oil Marketing Companies (OMCs). The Government has evolved a Burden Sharing Mechanism to ensure that the burden of under-recoveries incurred by OMCs is shared by all the stakeholders in the following manner:

(i) Government through oil bonds/cash assistance;

(ii) Public Sector Upstream Oil Companies namely, Oil and Natural Gas Corporation (ONGC), Oil India Limited (OIL) and GAIL (India) Limited (GAIL) by way of price discount on Crude oil products.

(iii) Public Sector Oil Marketing Companies, by absorbing a part of the under-recoveries.

(iv) Consumers, by minimal price increase.

The details of under-recovery incurred by the OMCs vis-a-vis the burden shared by the Government and upstream companies since 2010-11 are given below:

(Rs. crore)

Year	Total U/R	Government		Upstream Oil companies		OMCs	
		Amount	%	Amount	%	Amount	%
2010-11	78,190	41,000	52%	30,297	39%	6,893	9%
2011-12	1,38,541	83,500	60%	55,000	39.7%	41	0.3%
2012-13	1,61,029	1,00,000	62%	60,000	37%	1,029	1%
April-December, 2013-14	1,00,632	35,772	26%	47,971	48%	16,889*	27%

*unmet gap

The pricing of all other petroleum products are market determined.

(c) The Government has taken various steps in the recent past to reduce the under-recovery of the OMCs, as given below:

(i) **Diesel:** In order to reduce under-recovery on sale of Diesel and in pursuance of the decision taken by the Cabinet Committee on Political Affairs, the Government on 17.01.2013 authorized the OMCs to (a) increase the retail selling price of Diesel in the range of 40 paisa to 50 paisa per litre per month (excluding VAT as applicable in different State/Union Territories) until further orders; and (b) sell Diesel to all consumers taking bulk supplies directly from the installations of the OMCs at the non-subsidized market determined price.

(ii) **PDS Kerosene:** The quota of PDS Kerosene has been rationalized over the years resulting in reduction in subsidy. The Government has formulated the Direct Transfer of Cash Subsidy on Kerosene (DTCK) and 11 States/UTs have so far confirmed participation in the scheme.

(iii) **Domestic LPG:** Effective 14th September, 2012, the Government decided to cap the supply of Subsidized Domestic LPG cylinders for each domestic LPG consumer to 6 cylinders (of 14.2 Kg) per annum, which was subsequently increased to 9 cylinders on 17th January, 2013. Recently, on 30th January, 2014, the cap on subsidized cylinders has been increased to 12 cylinders per annum to each household w.e.f. 1.4.2014 (11 cylinders for current year). Also, the Government has launched Direct Benefit Transfer for LPG (DBTL) scheme for direct transfer of subsidy to the customers in 291 districts of the country.

Mandatory AADHAAR Number for subsidized LPG Cylinders

†2619. SHRI BHAGAT SINGH KOSHYARI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether Government has made Aadhaar Number mandatory for getting subsidy on LPG cylinders; and

(b) if so, the details thereof along with the number of LPG consumers out of total consumers, who have linked their bank accounts with their Aadhaar Number?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) and (b) Government of India has launched Direct Benefit Transfer for LPG (DBTL) Scheme in 291 high Aadhaar coverage districts of the country covering 9.6 Crore LPG consumers. Under the scheme, all domestic LPG cylinders (up to and beyond the cap) will be sold to domestic LPG consumers who have linked their Aadhaar number to their LPG consumer number and to their bank account at market price. The difference between market price and subsidized retail selling price (excluding VAT) applicable on the date of delivery is automatically transferred to the consumer' Aadhaar linked bank account. In addition, One time Permanent Advance is also provided to each consumer at the time of joining the DBTL scheme for the purchase of first cylinder at market price. Consumers who have not linked their Aadhaar number to their LPG and bank database are allowed 3 months grace period from the date of launch of DBTL to seed their Aadhaar number in LPG and Bank database and join the scheme. They continue to receive their entitlement of LPG cylinders at Subsidized Retail Selling Price during the grace period.

†Original notice of the question was received in Hindi.