

After the expiry of the grace period, all LPG consumers will receive cylinders at Market Price and become entitled to subsidy/Permanent advance on joining the scheme.

As on 13.02.2014, 32.73 million Consumers out of 96.43 million consumers in 291 districts have joined the DBTL scheme and have linked their Aadhaar number with LPG and bank.

Prices of Petro-products

2620. SHRI D.P. TRIPATHI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the Government has given free hand to oil companies to raise the prices of petroleum products;

(b) if so, how much losses have been recovered by the oil companies after every hike in prices; and

(c) whether it is also a fact that revenues of Government will automatically rise due to increase in prices of petro-products?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) In order to insulate the common man from the impact of rise in international oil prices and the domestic inflationary conditions, the Government continues to modulate the retail selling prices of three petroleum products namely Diesel (in retail), PDS Kerosene and Subsidized Domestic LPG. The pricing of all other petroleum products are market determined.

(b) The profits/losses are computed on quarterly basis as per statutory requirement and these cannot be calculated for the day of price revision. Even after taking into account the cash assistance from Government and the discount on sale of crude oil and products by upstream oil companies, the Public Sector Oil Marketing Companies (OMCs) have been able to report only meager profit. The profit/losses of OMCs namely, Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) since 2010-11 are as under:-

	(Rs. crore)			
OMC	2010-11	2011-12	2012-13	2013-14 (April- September, 2013)
IOCL	7,445	3,954	5,005	(-)1,409
BPCL	1,547	1,311	2,643	1,081
HPCL	1,539	911	904	(-)1,142
TOTAL	10,531	6,177	8,552	(-)1,469

(c) Since there is no Excise duty on PDS Kerosene and Domestic LPG and the Excise Duty on Diesel is specific in nature, the revenue of Central Government does not increase with increase in the price of these products. However, since the rate of Sales Tax/VAT is either ad-valorem or ad-valorem plus specific, the revenue of State Governments goes up with price increase.

Increase in Subsidy amount on LPG Cylinders

2621. SHRIMATI JHARNA DAS BAIDYA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has any proposal to increase the amount of subsidy given to domestic LPG cylinders; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) and (b) The Government provides fiscal subsidy of Rs. 22.58 per 14.2 kg cylinder on Subsidized Domestic LPG under the "PDS Kerosene and Domestic LPG Subsidy Scheme, 2002". In addition to this, the Government is modulating the price of Subsidized Domestic LPG, resulting in incidence of under-recovery to the Public Sector Oil Marketing Companies (OMCs) on its sale. This under recovery, which varies from month to month, is being compensated by the Government and the upstream oil companies under the Burden Sharing Mechanism. The details of subsidy given by Government and under-recovery incurred by the OMCs on sale of Subsidized Domestic LPG, as per Refinery Gate Price effective 1st February, 2014, is given below: